

City Service Area Neighborhood Services



Primary Partners

Housing

Library

Parks, Recreation and
Neighborhood Services

Planning, Building, and Code
Enforcement

Mission: *To serve, foster, and strengthen community by providing access to lifelong learning, opportunities to enjoy life, ensuring a diverse range of housing opportunities and preserving healthy neighborhoods.*

The Neighborhood Services CSA (formerly known as Recreation and Cultural Services CSA) has changed its name to reflect a modification in its primary partners that took place during 2005-2006. The Department of Housing and the Code Enforcement section of Planning, Building and Code Enforcement are now part of this CSA while the Office of Cultural Affairs has been moved to the Community and Economic Development CSA.

Providing City services to residents and neighborhoods in ways that support and maintain positive social connections and outcomes is the goal for this CSA. These connections build capable communities and the qualities of life that make San José a desirable place to live. To the residents looking out of their front doors, this means their neighborhoods are clean, safe, and well maintained; and they and their families can enjoy nearby parks, community centers, libraries, and a diverse range of recreational, housing, and learning opportunities.

In order to provide a higher level of service to the residents of San José, the City has transitioned affordable housing services and code enforcement services to the Neighborhood Services CSA. This realignment of critical services to neighborhoods will allow internal City partners to work more closely together to meet the needs of San José's communities.

The City's goal is to support diverse livable neighborhoods with an adequate supply of safe, affordable housing. The City continues to be a leader in providing housing opportunities for all income levels.

Through Code Enforcement, the City strives to meet evolving community expectations regarding the safety and conditions in neighborhoods. Maintaining safe, healthy and attractive neighborhoods and business districts continues to be a priority for residents and business owners.

Though these continue to be very difficult economic times, the Neighborhood Services CSA has worked creatively to rethink City service delivery, build on and create new partnerships, and connect with residents and stakeholders to identify neighborhood priorities. The CSA's belief in the evolving model of service delivery provides a solid foundation upon which to build and improve the provision of neighborhood services to the community.

CSA OUTCOMES

- Safe and Clean Parks, Facilities and Attractions
- Vibrant Cultural, Learning and Leisure Opportunities
- Healthy Neighborhoods and Capable Communities
- Diverse Range of Housing Opportunities

City Service Area Neighborhood Services BUDGET SUMMARY

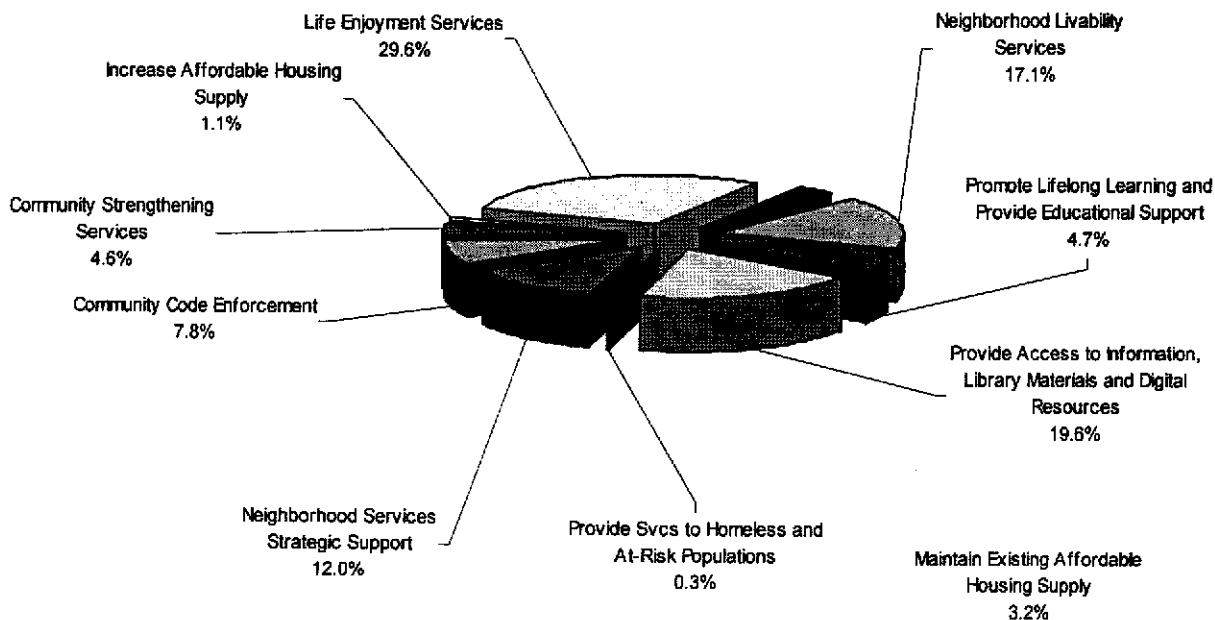
Budget at a Glance

	2005-2006 Adopted	2006-2007 Adopted	% Change
Total CSA Budget (All Funds)	\$137,707,415	\$142,066,255	3.2%
Total Authorized Positions	1,248.30	1,297.19	3.9%

Budget & Performance Highlights

- Four new and expanded branch libraries (Almaden, Cambrian, Evergreen, and Hillview) will be opened and fully operational in 2006-2007.
- By December 2006, over 11,549 units of affordable housing are projected to be completed or under construction, surpassing the goal of 10,000 units over an eight year period.
- Funding of \$3.4 million was approved for the operating and maintenance costs for new branch libraries, new community centers, trail segments, parks – both new and expanded, as well as dog parks.
- A net addition of 48.89 positions, and \$4.4 million in assets in all funds to the Neighborhood Services CSA.
- The Code Enforcement Division of Planning, Building and Code Enforcement has implemented an enhanced inspection program that will improve response times significantly for minor blight conditions.
- A key initiative is underway to expand the Building Strong Neighborhoods model city-wide. At Council's direction, funding totaling \$5 million was included in the General Fund for this purpose. In addition, as part of this initiative, Council approved a reserve for neighborhood capital improvements projects in the amount of \$4.3 million which is budgeted in the 2007-2011 Capital Improvement Program.

2006-2007 Total Operations by Core Service



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	2004-2005 Actual 1	2005-2006 Adopted 2	2006-2007 Forecast 3	2006-2007 Adopted 4	% Change (2 to 4)
Dollars by Core Service					
Community Code Enforcement	\$ 8,130,263	\$ 8,820,205	\$ 8,724,674	\$ 9,317,488	5.6%
Community Strengthening Services	7,628,413	5,983,406	6,419,708	5,492,179	(8.2%)
Increase Affordable Housing Supply	929,273	1,174,899	1,292,630	1,292,630	10.0%
Life Enjoyment Services	33,773,319	32,142,163	34,138,880	35,573,534	10.7%
Maintain Existing Affordable Housing Supply	3,229,922	3,668,430	3,788,696	3,873,594	5.6%
Neighborhood Livability Services	13,628,560	14,579,234	20,305,679	20,474,397	40.4%
Parks and Civic Grounds Management	232,556	0	0	0	
Promote Lifelong Learning and Provide Educational Support	3,492,772	3,720,787	5,007,222	5,664,187	52.2%
Provide Access to Information, Library Materials and Digital Resources	20,358,417	21,553,047	21,910,545	23,476,106	8.9%
Provide Svcs to Homeless and At-Risk Populations	335,207	340,937	375,492	375,492	10.1%
Strategic Support	8,946,060	11,762,320	13,166,933	14,510,613	23.4%
Subtotal	\$100,684,762	\$103,745,428	\$115,130,459	\$120,050,220	15.7%
Other Programs					
City-Wide Expenses	\$ 15,836,156	\$ 17,282,084	\$ 9,179,716	\$ 12,288,302	(28.9%)
General Fund Capital, Transfers and Reserves	5,704,074	16,679,903	4,971,000	9,727,733	(41.7%)
Subtotal	\$ 21,540,230	\$ 33,961,987	\$ 14,150,716	\$ 22,016,035	(35.2%)
Total	\$122,224,992	\$137,707,415	\$129,281,175	\$142,066,255	3.2%
Authorized Positions	1,168.63	1,248.30	1,232.67	1,297.19	3.9%

Note: the budget reflects only Operating costs and does not include direct Program expenses

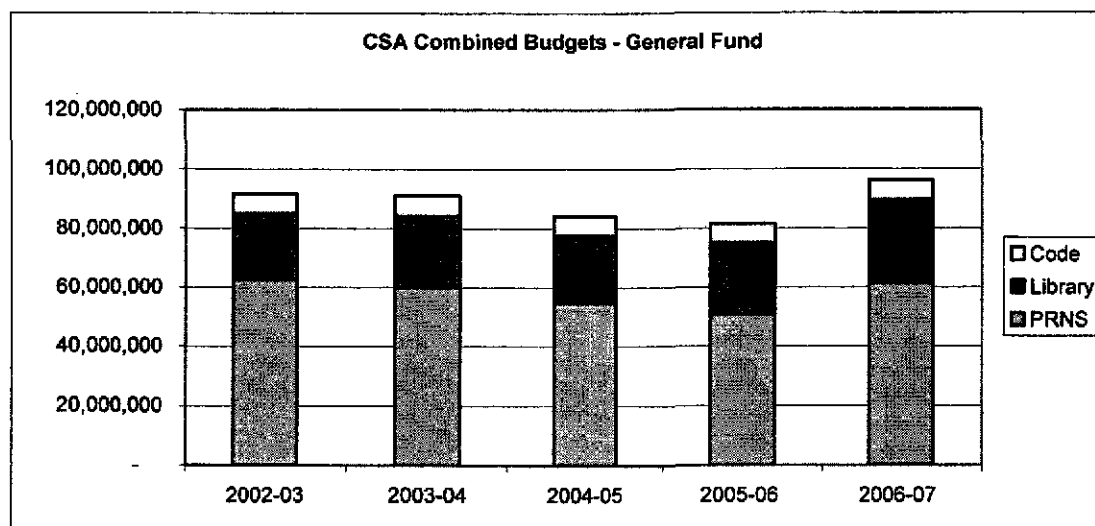
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Current Position *How are we doing now?*

- In 2005-2006, the Housing Department and PBCE were added as primary partners to the Neighborhood Services CSA. Safe, affordable housing is key to healthy neighborhoods, and the addition of these partners brings together the components of the City's efforts to foster and strengthen the community. The Arts and Cultural Development Core Service has moved to the Community and Economic Development CSA.
- Library and Parks Bond and capital projects are progressing, subject to operating cost considerations.
- Parks maintenance, throughout the neighborhood and regional park system, implemented reductions in watering, litter pick up and trash removal in 2005-2006. For the first time in fifteen years, regional parks are no longer maintained seven days a week. Also, neighborhood parks receive two less days of maintenance per week compared to the service levels in 2004-2005. This means the parks are visited by maintenance staff anywhere from two to five days a week depending on the level of use of the neighborhood park (high, medium or low). Restrooms in all parks, however, continue to be available for public use seven days a week. Residents have been most concerned with health and safety issues and reduced turf irrigation issues across the park system, as evidenced by the fact that these calls total 38% of all park concern calls received from July 2005 through March 2006.



Note: Housing Department has no General Fund budgeted

- Current community center staffing levels are stretched because even though resources have been reduced in previous years, sites will remain open. At the same time, new or expanded facilities are opening with minimal staffing added. These factors combined are posing challenges to PRNS's ability to deliver acceptable levels of Community Center services both in volume and quality.
- Four new and expanded branch libraries (Almaden, Camden, Evergreen and Hillview) will be opened and fully operational in 2006-2007. Staffing in these new branches will come from existing staff in library branches being closed as well as 32.45 positions being added in the Library Department in this budget.
- In 2005-2006, the Dr. Roberto Cruz Alum Rock Branch Library, Rose Garden Branch Library, Almaden Community Center and Branch Library opened to public praise and high usage. Construction is nearing completion on Evergreen Branch Library and the facility will open in early 2006-2007. Cambrian and Hillview branch libraries are also scheduled to open in 2006-2007. Design work continues on Edenvale, Joyce Ellington, Pearl Avenue and Willow Glen branch libraries and all will be under construction in 2006-2007. Branches that will be in various stages of the design phase in 2006-2007 are East Branch, Santa Teresa, Bascom, Seventrees, Educational Park, and Calabazas.

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Current Position *How are we doing now? (Cont'd.)*

- Parks projects that were completed in 2005-2006 include the Camden Multi-Service Center, San Tomas Aquino/Saratoga Creek Trail, and Fuller Park. Construction contracts were awarded and construction has begun on numerous projects including: Alum Rock Park Service Yard, the Los Gatos Creek Trail Reach 4, and Fowler Creek.
- Code enforcement services have been reduced for non-health/safety violations and for violations that cannot be addressed by resources with special funding sources. An enhanced service delivery model has been implemented in an effort to improve responsiveness for non-health and safety requests for service.
- The City continues to lead the State in meeting its housing needs for all income levels. In December 2005, San José had achieved 102% of its Regional Housing Needs Allocation seven-year goal six months early.
- Between January 1999 and January 2006, 8,499 affordable housing units had completed construction. By December 2006, over 11,579 units are projected to be completed or under construction, surpassing the goal of 10,000 units over an eight year period.

Selected Community Indicators *What external conditions influence our strategies?*

The extremely high median prices of homes in the area, unemployment, and increased demand for services across the CSA influence its strategies. As residents have less disposable income, they rely on low cost or free services. The test scores, the number of students meeting college entrance standards, and the number of juvenile felony arrests are indicators of the City's need to provide services that channel young people into positive behaviors.

- **Employment:** The region's total available jobs increased only 0.2% (an increase of 2,000 jobs) between the second quarter of 2004 and the second quarter of 2005. For the same period of time in the previous year, available jobs declined 1.3% or 14,700 jobs (Source: Joint Venture's 2006 Index of Silicon Valley).
- **Housing Affordability:** Only 18% of local households in Santa Clara County were able to afford a median-priced home in 2005 versus a national average of 49%. The median priced home in June 2006 was \$819,950 a 7.9% increase from the prior year (Source: Joint Venture's 2006 Index of Silicon Valley).
- **Homelessness:** In December 2004, a homeless survey was completed providing the following information: there are 4,910 homeless individuals in San José - of this number, 36% reside in shelters and 64% sleep on the streets; the primary causes of homelessness include drug use (20%), unemployment or job loss (17%), inability to pay rent or mortgage (15%), and arguments with family or friends (13%) (Source: Joint Venture's 2006 Index of Silicon Valley).
- **Per Capita Income:** \$56,633 in Santa Clara County, an increase of 8.9% in 2005 from 2004 (Source: Joint Venture's 2006 Index of Silicon Valley).
- **Reading Tests:** 47% of 3rd graders scored at or above the national median on CAT/6 in 2005, up slightly from 46% in 2004 (Source: Joint Venture's 2006 Index of Silicon Valley).
- **High School Graduation:** 46% of students who had entered high school as freshmen in 2001 both graduated and met University of California/California State University requirements in 2005, up from 38.4% in the prior year (Source: Joint Venture's 2006 Index of Silicon Valley).
- **Juvenile Felony Arrests:** The number of juvenile felony arrests per 100,000 in Santa Clara and San Mateo Counties stayed basically even from 287 in 2003 to 288 in 2004; 312 juvenile felony arrests per 100,000 were made in 2001 in Santa Clara County (Source: Joint Venture's 2006 Index of Silicon Valley).
- **Preschool For All:** FIRST 5 of Santa Clara County is in the first year of a five-year plan to spend over \$43 million to implement its local Preschool For All Master Plan (Source: FIRST 5 Santa Clara County).

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Trends / Issues / Opportunities ***What developments require our response?***

- The CSA continues to see greater demand for services at City facilities during this extended period of economic downturn. Flat or depressed economic conditions drive people to seek learning and recreational opportunities that are close to home, can be engaged in at little or no cost, and meet individual and family needs.
- Extended unemployment among young people and cycles of gang activity indicate a need for prevention and intervention strategies, including positive learning and recreation opportunities, for youth and young adults.
- Voters expect to see the renovated or new parks, community and library facilities funded through Measures O and P to be opening and operating in their community. Although construction funding is in place, resources for operating and maintenance are currently dependent on the General Fund, causing further pressure on that resource. Approved as part of this budget is over \$3.4 million in additional funding to provide new ongoing maintenance and operation resources for facilities and sites becoming operational in 2006-2007.
- As documented by the United Way Silicon Valley's 2005 Community Impact Report, challenges to the self-sufficiency of individuals, youth and families in San José continue to be very high. These include a high cost of living, a lack of adult living and educational skills, competition for jobs and housing and insufficient opportunities for children and youth to develop school readiness and physical and emotional well-being. State and federal resources impact children's programs for learning and success in school. Moderately priced and licensed childcare with skilled providers is not widely available. The CSA will continue to deliver after-school programs throughout the City and manage grants for increasing child care spaces in San José.
- Residents' expectations for access to increased levels of information and services will affect service delivery. An increase in the senior and/or retired population created by aging baby boomers continues to increase demand along with population density. These change factors will result in greater demand for accessible facilities and assorted activities at a time when the CSA will have funding constraints and expects to have fewer facilities.
- The growing diverse populations of San José continue to increase the use of city services as new facilities become available. Greater demands for language materials, literacy services, job development and community integration opportunities create greater demand for city staff and resources.
- The implementation of the Evergreen*East Hills Vision Strategy and Coyote Valley Specific Plan will eventually place thousands of new residents in these two areas of the City. In order to meet the needs of these significant new populations, traffic improvements, library facilities, and public recreational amenities must be in place. Without the creation of new funding resources, this greater demand will place inordinate stress on a service delivery system that is already inadequate to meet present day demands.
- With the passage of the November 2000 Safe Neighborhood Parks and Recreation Bond, Measure P, an additional 200,000 square feet of community center development will occur between 2004 and 2010. The bond measure, however, did not allocate funding for the operations and maintenance of this expansion in facility development nor for one-time furniture, fixtures and equipment needed for these new sites. The Community Services Division of PRNS has experienced budget reductions of approximately 25% over the last three fiscal years. With the loss of this funding, coupled with the expansion and development of new community center facilities, the City is facing significant operational funding issues in the years to come. It is imperative that as the development of new community center facilities occur, that older, inadequate neighborhood centers are removed from the inventory. PRNS transmitted to City Council a detailed facility re-use strategy for 2006-2007 and beyond, which will optimize utilization of the new facilities in 2008 to more viable operations. As resources continue to be reduced, additional sites must be included in the re-use strategy if the City is to adequately operate remaining and new sites with existing resources.

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Trends / Issues / Opportunities

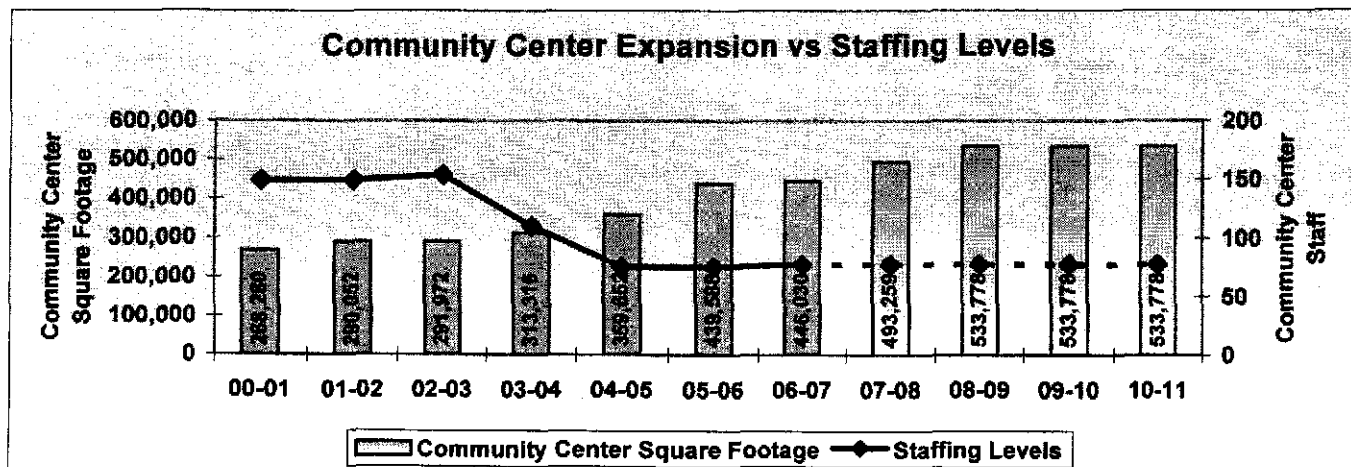
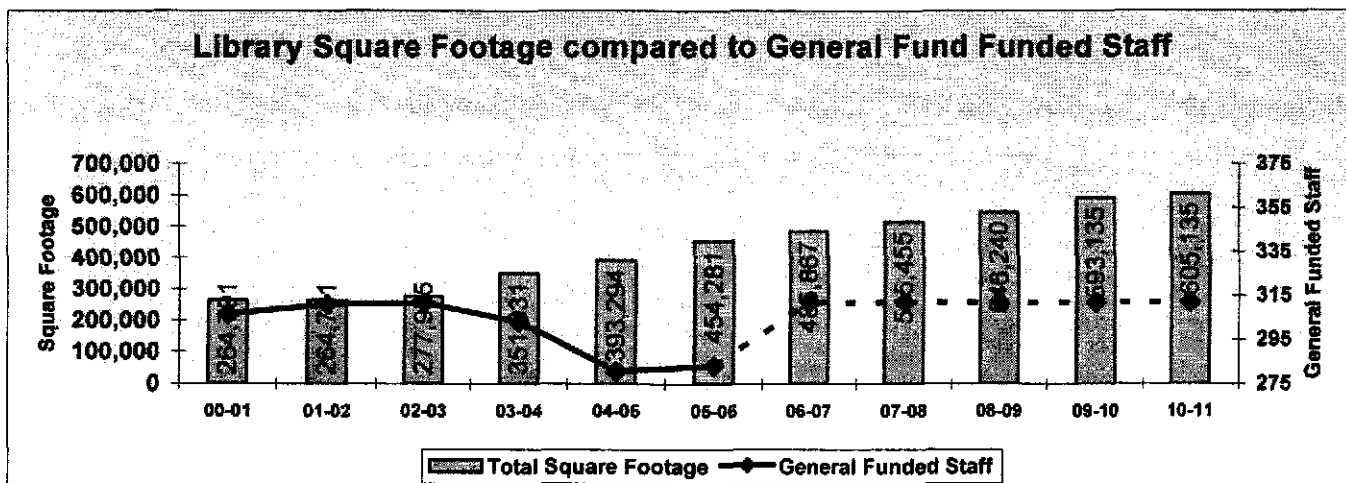
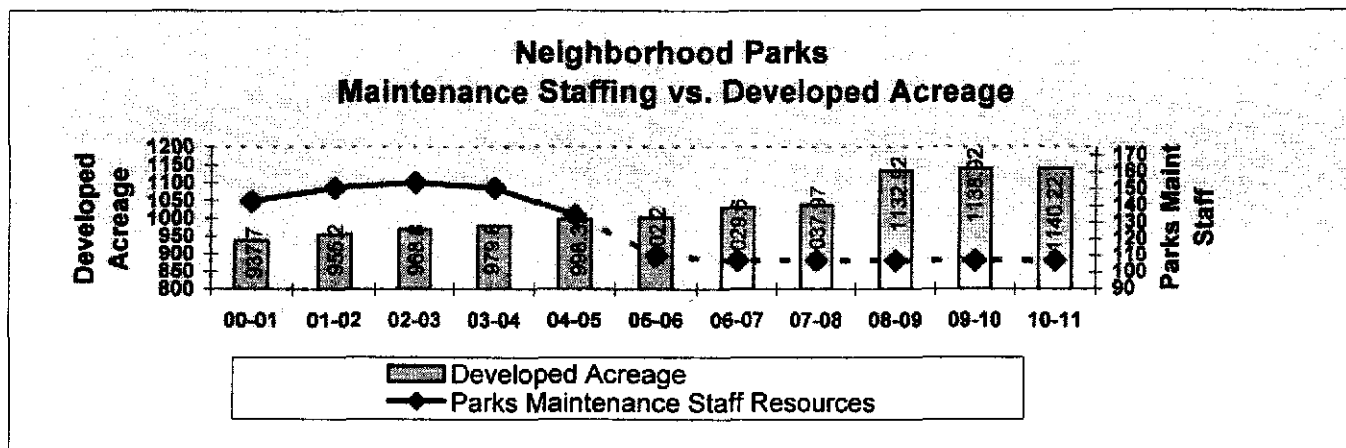
What developments require our response? (Conr'd.)

- The implementation of state Proposition 49 that deals with supporting after school programs offers an opportunity to expand the level of after school programs without the use of additional City resources. Programs will be delivered via the school districts and sub-contracted to community based organizations and/or City staff using combined resources to maximize the benefit to the students. The State has not yet finalized a program model, but under all models proposed, significant additional funding will be available to support after school programming.
- As the CSA has eliminated positions in the last few years, new demands are placed on the remaining employees who must function at the reduced staffing levels. Changes to the mix of duties and responsibilities of employees are unavoidable in the current operating environment. All staff will have to assume increased responsibility in the area of general operations to enable effective customer services. Service levels will be maintained at their current levels. City-wide survey results indicate a high level of support in the community for library services and facilities. The 2006-2007 budget includes funding for minimum staffing and resources to open new facilities funded by the Library Bond Fund (Measure O approved by voters in 2000).
- 20% Redevelopment Tax Increment funds, the traditional source of funding for affordable housing programs, decreased by 26% between 2003 and 2005. Starting in 2006, the funding source began to recover slightly, with a projected 6% increase in 2006-2007, although still 18% lower than the high of 2002-2003. To augment the declines in Tax Increment funds, the City continues to maximize State and federal funding sources to maintain current programs to the extent possible.
- Over 4,500 of San José's residents are currently homeless, based on a December 2004 survey. The City is committed to eliminating chronic homelessness over the next ten years. This is a significant task that will require dedication of time and funding from the City and all non-profit agencies serving homeless families and individuals over the next several years.
- Alternative funding opportunities continue to be explored and some arise spontaneously. For example, PRNS has been approached by private corporations located near parks with proposals that the company assume responsibility for the park turf, since the park is the company's "front lawn." Staff would like to be in a position to further explore this option without compromising the City's contracting-in policy or employee agreements.
- Code Enforcement has only 3.75 Inspector FTE that are supported solely by the General Fund, down from 18.75 General Fund FTE in 2000-2001. Most of Code Enforcement's Inspectors are now supported by fees (Solid Waste and Multiple Housing), CDBG, or the Redevelopment Agency. While these funding sources have replaced many of the lost General Fund positions, each of these special funding sources carries with it a restriction on activities or service area making efficient resource allocation more difficult. The General Code Enforcement graph below depicts the total number of new cases received and General Code Inspection staffing for the past 6 fiscal years. The projected increase in the caseload on the chart is due to the addition of 1.0 Code Enforcement Inspector position to the "proactive" Abandoned Shopping Cart Program and the implementation of an enhanced service delivery model for blight cases.

The following four graphs illustrate the substantial growth currently scheduled in the areas of neighborhood parks acreage, library square footage, community center square footage and general code enforcement cases, each paired with the current staffing levels to support each area. Note that the staffing levels remain flat in the out-years since that information is unknown at this time. In each case, growth of inventory or responsibility is increasing at a much greater rate than the anticipated staffing allocation. The fifth graph illustrates the numbers and types of affordable housing that will have been produced from January 1999 through December 2006, exceeding the goal of 10,000 units.

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Trends / Issues / Opportunities *What developments require our response? (Cont'd.)*

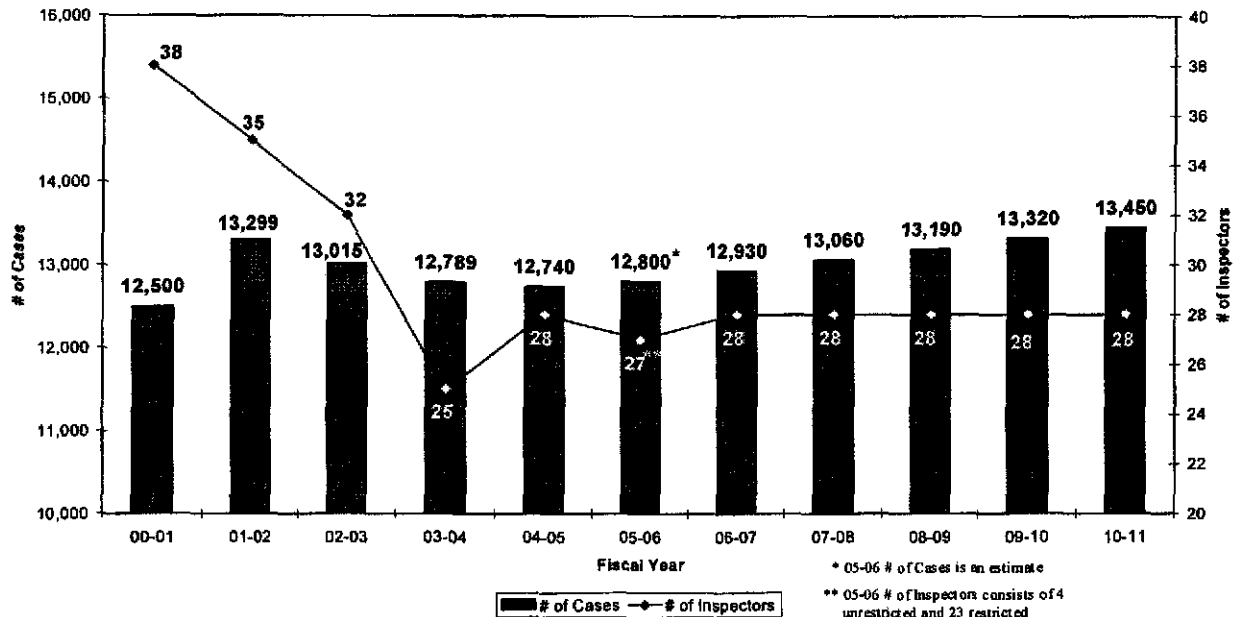


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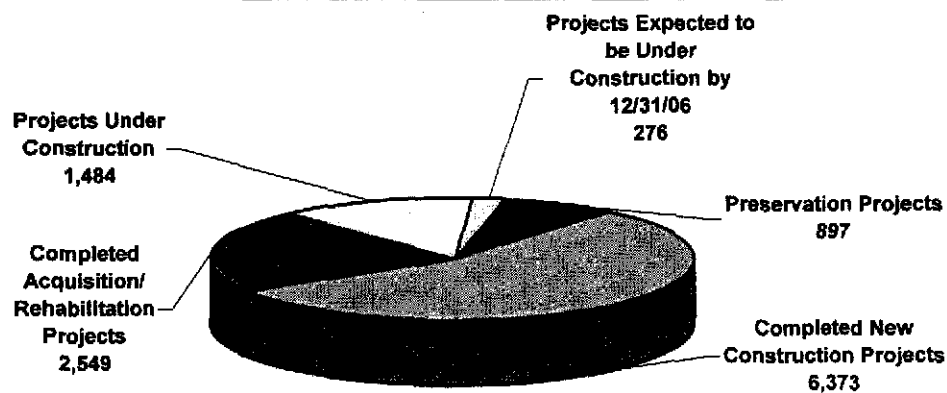
Trends / Issues / Opportunities

What developments require our response? (Cont'd.)

General Code Enforcement Staffing and Workload



Affordable Housing Production, 1999 through 2006



Total Production, 11,579 units

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Policy Framework *What policies guide our strategies?*

This CSA has five guiding master plan documents that were approved by the City Council. These plans are being used to guide the program and service delivery to the community provided by this CSA:

Plans

- Greenprint for Parks and Community Facilities and Programs
- San José Public Library Master Plan and Branch Facilities Master Plan
- Five-Year Housing Investment Plan
- City of San José 2005-2010 Consolidated Plan
- Ten Year Plan to Eliminate Chronic Homelessness

Other Policies

- Parks and Library Bond Measures
- Strong Neighborhoods Initiative Plans
- Blueprint for Bridging the Digital Divide
- Getting Families Back to Work Direction
- School City Collaborative Plan
- A Ten Year Strategic Plan to Advance the Well-Being of Older Adults in Santa Clara County
- Early Care and Education Strategic Plan
- Disability Plan
- Mayor's Gang Prevention Task Force Strategic Plan
- Downtown Strategy
- North San José Development Policy
- United Way Silicon Valley's 2005 Community Impact Report
- Economic Development Strategy

General Plan Alignment

Adopted by the City Council, the San José 2020 General Plan sets forth the vision of San José, reflecting the community values of its residents, business owners, etc. It is a long-range plan identifying the location and intensity of land uses, character of future development and existing neighborhoods, and the overall quality of life of the San José community.

Other plans (e.g., the Greenprint, Library Master Plan, Economic Development Strategy, and Fire Strategic Master Plan) are consistent with the General Plan, providing a greater level of detail as to how to achieve the goals set forth in the General Plan.

The 2005-2006 City Council-adopted changes in the General Plan long-range service goals more clearly address the City's capacity to deliver excellent customer service in a manner consistent with and comparable to other library systems locally and nationally. The goals are 2.75 volumes (items) held in the San José Public Library (SJPL) system per capita and 0.59 square feet of library space per capita. Holdings are an accepted standard in the library industry, so the volume per capita goal is one which can be contrasted with other large cities. San José currently has 1.9 million volumes, which equals 2.05 volumes per capita. However, since the City has entered into a unique relationship with San José State University (SJSU), the public may now access the circulating collection of SJSU, which is an additional 800,000 volumes. This brings the customer service to 2.92 volumes per capita. The square footage service goal is a restatement of the City Council-adopted goal in the Library Branch Facilities Master Plan, adopted in 1999. Upon completion of the full Library bond build-out at the end of this decade, it is anticipated that the City will meet the goal of 0.59 square feet of library space per capita.

For parks and recreation, the General Plan currently identifies long-range service goals of 3.5 acres of neighborhood and community serving recreational lands per 1,000 population, of which a minimum is 1.5 acres of neighborhood, community or locally serving regional/City-wide park lands and up to two acres of school playgrounds, and all of which is located within a reasonable walking distance; 7.5 acres of regional/Citywide park lands per 1,000 population; and

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General Plan Alignment (Cont'd.)

500 square feet of community center floor area per 1,000 population. PRNS will not be changing these service goals at this time. In 2006-2007, PRNS expects to begin the process of updating the Greenprint for Parks and Community Facilities and Programs. One of the products from that process will be proposed changes to General Plan long-range service goals.

One of the elements of the General Plan is the Housing Element. The goal of the General Plan's Housing Element is to ensure that each municipality is addressing its housing needs across all spectrums. This is measured through housing allocations adopted by the Association of Bay Area Government's (ABAG) housing allocations. For the seven year period 1999-2006, ABAG's Regional Housing Need Allocation estimates that the City needs to provide adequate sites to accommodate 26,114 housing units for the period of 1999 through 2006, 7,701 of which needs to be affordable to low- and moderate-income households (1,100 units of affordable housing units per year).

Key Strategic Goals & Objectives Where are we going?

This CSA provides some of the services essential to a sound quality of life for residents. The services provided ensure a range of housing opportunities, ensure the housing is safe, and provide recreational, learning opportunities to the residents and opportunities for communities and neighborhoods to be heard.

This CSA's strategic goals for its outcomes are listed below. Its plan is to preserve core services delivery that meet basic community needs, and to rebuild on this base of services as the economy recovers. The City's ability to deliver these services effectively and broadly has been negatively impacted by the prolonged budget condition.

Outcome 1: Safe and Clean Parks, Facilities and Attractions

This Outcome's strategic goal remains ensuring all parks and facilities will be safe, clean and well maintained and the delivery of quality CIP projects on-time and on-budget. The following are the key issues facing Neighborhood Services while keeping its goals in mind.

- **Parks And Facilities Will Be Safe, Clean And Well Maintained** – Access to safe and clean parks for all residents, preservation of open space and parkland for the public, and the maintenance of associated infrastructure (e.g. irrigation systems, play equipment, turf) for long-term integrity is essential for the long term health of the greater community. Additions to the inventory of neighborhood serving parklands require additional maintenance resources. Desirable maintenance levels were not achieved in 2005-2006. In order to not exacerbate the existing backlog of deferred maintenance, the introduction of additional new parks should not be without new resources. While the City's General Fund will be in a position to support these additional needs in 2006-2007, staff is also looking at new service delivery models including partnering with private entities to maintain sites adjacent to or near the private entities as an alternative to City maintenance activities in the future.
- **Address Infrastructure Needs** – The goal to protect and improve the current infrastructure of parks will be supported through the use of capital funds so that older facilities do not fall into greater disrepair. Key to this strategy is the implementation of an asset management system for parks utilizing the City's existing software (DataStream). By having an asset management system, staff is able to:
 - Track the inventory of assets;
 - Track the condition assessment of assets;
 - Identify and define the required maintenance tasks according to schedule;
 - Make the best use of available and often limited resources (labor, equipment or funding);
 - Track the history of work performed on the asset.

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Key Strategic Goals & Objectives *Where are we going? (Cont'd.)*

Address Infrastructure Needs (Cont'd.) – At full implementation, the asset management program is a predictive tool that can be used to program capital funds in advance of components failing by ensuring regular maintenance. It focuses labor resources on preventive rather than reactive work, so that more is done in less time with fewer delays and less overtime.

The next significant strategy is to plan the use of the strategic capital replacement reserves in each Council District. This source of funds will mitigate the effects of less frequent maintenance and support major infrastructure work such as roofs, irrigation systems, and HVACs which should be replaced according to schedule. Health and safety issues can be addressed systematically and operational efficiencies such as a centralized computerized irrigation system can be put in place linking the irrigation system in all park sites.

The goal is to establish the asset management program so that a closer tie between the condition of park and building assets to the programming of strategic capital funds is created. These two, when combined, are powerful tools to keep parks and buildings operating in an efficient and reliable manner, particularly since maintenance resources are not optimum.

- **Meet Commitments For Scheduled Capital Construction** – New and more flexible facilities are being constructed as promised to voters who approved library and parks bond measures for such planned construction. In order to operate and maintain new capital facilities, older and less-used sites will need to be closed so staff redeployment and resource reallocation can occur. The implication of this change in staff and resources is that facilities coming on-line in the near future (two to five years from now) will require either new or additional funding for resources in order to open and operate, or the continued consolidation and closure of existing older inefficient sites to operate the new sites.

As construction costs continue to remain at higher than projected levels, the ability to reach currently anticipated project scopes is being eroded. Working with the community to develop facilities that support the service needs and expectations of the residents will continue. If bond funds are insufficient to support the minimum project needs, then other additional funding sources will need to be identified.

Outcome 2: Vibrant Cultural, Learning and Leisure Opportunities

This Outcome's strategic goal remains to provide a broad spectrum of affordable and accessible life enjoyment services that contribute towards the social, physical, educational, and enrichment needs and expectations of San José customers and residents. In addition, this CSA will continue to offer programs and services that support successful youth and their families, and provide affordable and accessible services and programs that promote independent living for seniors and persons with disabilities. The following are the key issues facing Neighborhood Services CSA while keeping its goals in mind.

- **Operation of Key Facilities** – Fourteen branch libraries are being reconstructed, and those which are on new sites will result in old facilities available for re-use, such as Berryessa and Hillview branch sites. Staffing for facilities, as well as maintenance and operating expenses such as utilities and repairs, may require that reduction of services and sites be considered if additional funding is not identified.

PRNS staff is moving forward with a Re-Use Plan to identify alternative programming options for selected community center, neighborhood and satellite facilities. Based on the City Council's June 6, 2006 direction, 22 community center, neighborhood and satellite facilities and two libraries will be considered for alternative programming possibilities. This process will start in July 2006 and end with new operator move-ins in early/mid 2008. Community based organizations and neighborhood associations will be recruited through a competitive process to provide neighborhood and community services. Child care providers that want to be considered for reusing community centers as Smart Start centers will also be recruited if no service providers are available to continue other programs. In some cases, parks maintenance staff could work out of these facilities. Community

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Key Strategic Goals & Objectives *Where are we going? (Cont'd.)*

Outcome 2: Vibrant Cultural, Learning and Leisure Opportunities (Cont'd.)

Operation of Key Facilities (Cont'd.) – centers, neighborhood, satellite facilities and two libraries would be considered for closure only if no suitable tenants can be found.

A new service delivery model that leverages both City and community based organizations will, however, require changes in operations and level of oversight. During the first year of implementation, heavy emphasis will be placed on establishing communication strategies, setting service expectations, performance measures and methods of accountability.

Neighborhood Services CSA will continue to deliver high quality programming. As reductions are needed, the focus will be to retain the quality of programs to residents, while reducing hours or points of access. New facilities coming on-line are more efficient and allow us to leverage limited staffing. PRNS will close older, less used sites, or transfer operations to community based organizations, child care providers, and neighborhood associations, where feasible, to focus resources at new sites if resources are not increased.

- **Develop Strategies to Leverage City Services Through Partnership and Collaboration With Outside Entities** – The partnership between the City and the Santa Clara Valley Water District for the joint planning and development of trails has proven to be a success. Neighborhood Services CSA will build on that success and explore opportunities to partner with local colleges, schools and non-profit operators with respect to joint planning and development of educational, cultural and leisure activities. Examples of this will include the upcoming implementation of State Proposition 49 that will facilitate collaboration between the City and community based organizations with respect to after-school programs as well as the effort between the City and San José State University to explore the potential for joint development of community services facilities in the University's South Campus area. Other collaborative ventures will be explored to provide expanded programming, or better utilization of recreation and sports facilities.
- **Implement an integrated, city-wide Community Safety Intervention Strategy** – Public safety, community education and training functions continue to be a high priority for the City. As such, efforts will continue on implementing an integrated, city-wide Community Safety Intervention Strategy that leverages existing community resources and creates a more coordinated, effective system of response to community safety issues.
- **Create New Smart Start Child Care Spaces** – Building upon the Early Care and Education Strategic Workplan, the Library Department will work collaboratively with the San José Redevelopment Agency to implement a strategy to increase Smart Start Child Care spaces by working with existing child care sites, as assets allow, to conduct facility upgrades and program enhancements in order to increase the quality and number of spaces within the San José Smart Start umbrella.
- **Continue to Place Emphasis and Invest Resources to Serve Youth Effectively** – Service to the City's youth, who make up over a third of the population, remains a top priority. Providing youth with opportunities to build strong character, expand horizons, and develop into productive residents is the hallmark of the Neighborhood Services CSA programs and services. From Early Childhood Recreation classes for pre-kindergarteners to the San José Youth Commission (volunteers, ages 14-21), our City's youth experience life affirming opportunities every day. Programs like the Safe School Campus Initiative and the Clean Slate tattoo removal program aid in transitioning gang involved youth into mainstream society. Youth Centers engage teens in meaningful activities, while year-round sports programs address health issues such as obesity. Youth Services works closely with community agencies and youth providers to offer a safe and varied menu of services.

Key Strategic Goals & Objectives

Where are we going? (Cont'd.)

Outcome 2: Vibrant Cultural, Learning and Leisure Opportunities (Cont'd.)

- **Position Recreational, Social, Educational, and Health-Related Programs and Services to Better Meet the Needs of Older Adults** – By the year 2020, the population of older adults in the City of San José will almost double. Accordingly, the City Council adopted *Aging Strategic Plan - Community for a Lifetime*, which provides guidance for program delivery and direction for this burgeoning group. Areas of need that will be addressed include access to Information and Assistance, Senior Center Programs, and City of San José participation in an inter-agency Leadership Group for improving the coordination, prioritization and funding of aging services among agencies in Santa Clara County.
- **Enhance Opportunities for People of Varying Abilities for Full and Active Participation in Leisure Activities and Experiences** – The non-institutionalized disability population for ages five and over is approximately 152,000 in the City of San José, according to the U.S. 2000 Census. The City Council adopted the 2000 Strategic Plan for Persons with Disabilities, which provides a plan to guide the City of San José with the delivery of services, inclusionary services, and the establishment of a centralized Health and Wellness Center. Further, a Council-chaired Strategic Plan Advisory Board was established, which meets quarterly to enhance the delivery of city services and to augment interagency participation with local community hospitals, San José State University, non-profit organizations, private organizations, regional centers, and state and county services.

Outcome 3: Healthy Neighborhoods and Capable Communities

The CSA will strive to develop capable, connected leaders and strong neighborhood organizations, and support the development and implementation of neighborhood driven plans. In addition to establishing San José as a "Graffiti-Free and Litter-Free City", and a city where residents will perceive that their neighborhood has improved (that is, safer and cleaner), this CSA will provide effective animal care and control services for the residents of San José. The inclusion of the Code Enforcement Division of PBCE has enhanced this Outcome with goals of improving and preserving the existing housing stock, and working to ensure the City is a desirable place to live and work. The following are the key issues facing Neighborhood Services CSA while keeping its goals in mind:

- **Responsive Code Enforcement Services** – Code Enforcement remains committed to providing priority response to health/safety complaints within 48 hours. Enhanced enforcement methods are being developed to address and encourage voluntary compliance in the case of complaints that are non-health/safety related. These efforts, which include "educational" warning letters and increasing reliance on interested residents, are being utilized in an effort to maintain the attractiveness of neighborhoods despite the reduction, in recent years, of General Fund Code Enforcement resources. Focused service enhancements are offered where special funding sources are available.
- **Community Safety** – Public safety, community education and training functions continue to be a high priority for the City. Protocols that have been developed will not be changed and community and school liaisons will be preserved. An integrated city-wide Intervention Strategy that leverages existing community resources and creates a better coordinated reactive and proactive response for Community Safety is the overall goal. The current levels of service for Youth Intervention Services (YIS) must continue to be protected as an effective community safety tool.
- **Building Strong Neighborhoods and Increasing Civic Engagement** – The success of the Strong Neighborhoods Initiative has demonstrated the importance of expanding programs that build resident leadership and civic engagement as a means of ensuring alignment between community needs and City services. Neighborhood Services CSA will continue its work to renew 19 Strong Neighborhoods Action Agendas and to develop and support community engagement strategies that will build a broader, more diverse leadership network throughout the City.

Key Strategic Goals & Objectives *Where are we going? (Cont'd.)*

Outcome 4: Diverse Range of Housing Opportunities

Despite being one of the most expensive housing markets in the nation, the City of San José maintains its commitment to fostering the creation, retention, and maintenance of affordable housing through progressive planning and development policies, aggressive leveraging of funds, unique partnerships, proactive policy analysis, skilled advocacy, and committed staff. The following are key issues facing the Neighborhood Services CSA in continuing the City's commitment to providing housing that is affordable to all of its residents.

- **Provide Housing Opportunities for Low-and Moderate-Income Households** – Although Redevelopment Tax Increment revenues are expected to increase slightly in 2006-2007, the annual projection remains at 18% less than in 2002-2003. To compensate as much as possible for the reduced revenue the City continues to explore all options to maintain a well-balanced housing program that includes new production, rehabilitation of the existing housing stock, homebuyer assistance, and homeless services. Strategic use of CDBG, HOME, CalHOME, and Proposition 46 funds, as well as exploration of other grant sources, is a key focus.
- **Funding for Production of Housing for Extremely Low-Income Households** – In the January 2006 State of the City address, the Mayor announced a commitment that 25% of newly constructed, City funded units will be affordable to extremely low-income households. The City will continue to explore innovative funding opportunities in the pursuit of this goal.
- **Increase Market-Rate and Affordable Housing Opportunities** – Emphasizing housing development in the Downtown, in Neighborhood Business Districts, at transit stops and in North San José remains a priority for San José. Directing growth to infill locations that capitalize on existing and projected transit routes will help revitalize these areas while reducing traffic.
- **Eliminate Chronic Homelessness Over Ten Years** – The City is working in partnership with other government and private organizations to develop creative strategies to implement the City's aggressive plan to end chronic homelessness in the next 10 years. Action items related to this effort include holding Project Connect Days to deliver direct services to the chronically homeless, accessing additional Section 8 vouchers to provide housing opportunities to the homeless, and continuing efforts with local, State and national partners to improve service delivery systems for the homeless.

City Service Area
Neighborhood Services
TWO-YEAR INVESTMENT STRATEGY

Overview

In prioritizing the investment proposals for 2006-2007, the Neighborhood Services CSA has utilized the following guiding principles:

- *Focus on defined City Council and neighborhood priorities;*
- *Analyze core services and how to best deliver them;*
- *Evaluate impacts of program reductions on the public infrastructure and the entire population, considering such factors as age groups, special needs populations, and geographic areas of San José.*

While many services will remain available, they are being redesigned to consolidate service delivery to fewer sites and/or fewer hours of availability, and to focus on only providing basic and essential services to customers. Current services have been reviewed and prioritized and some services may be eliminated or distributed to providers receiving City grant funding as appropriate. Consequently, the variety and location of such services will be reduced. With modifications and reductions, the CSA must continuously reevaluate new models for service delivery.

The 2006-2007 Investment Strategies are indicated below, to the extent the target reduction level was less than originally anticipated, it was not necessary to implement all of these strategies for 2006-2007. They still remain the CSA's strategies for future and further budget reductions:

1. **Recommend Program Priorities** – Reduction strategies will be driven by the desire to protect basic core services and vulnerable audiences, all programs and services may be subjected to impacts and reductions in 2006-2007. Eliminate long term vacancies so that the current service levels and filled positions are impacted minimally.
2. **Move Programs to Other Providers Receiving City Funding** – Use alternate organizations that receive City grant funds such as San José Best and Healthy Neighborhoods Venture Fund to provide appropriate basic core services for essential CSA programs. Alternatively direct more of City grant funds to support existing vital City programs in lieu of reducing them.
3. **Advance Those Critical CIP Projects with Generally Cost-Neutral Operating Impacts** – Staff has been carefully reviewing schedules of construction projects and has in the past recommended deferrals of those projects with significant operating budget impacts.
4. **Offer Revenue Enhancements Where Feasible** – Match fees to cost of programs as appropriate. Some programs that have been offered at no cost in the past may have fees applied to them. Where appropriate, the fees and charges for programs should reflect the market rate of similar programs regionally. Pilot revenue generation plans in new facilities, and seek opportunities for sponsorships at parks and other facilities in line with major “adopt-a-park” strategies. Aggressively pursue corporate sponsorships or direct support of specific parks, facilities or programs.
5. **Continue to Propose Other Partner Collaborations** – Implement a Re-Use Strategy for the libraries and community centers that will close as a result of the budget process, relocation to bigger sites or in lieu of new facilities coming on-line. Other City Departments and/or CBOs can operate their services in these vacant City facilities in a cost-neutral manner. Community based organizations occupying City facilities should be contractually obligated to provide City and CSA core services to the community.
6. **Utilize Special Funds and Fee Revenue to Meet Increasing Program Demands** – Use special revenue sources to fund priority programs in need of additional resources to the extent possible.

City Service Area
Neighborhood Services
TWO-YEAR INVESTMENT STRATEGY

Key Investments & Objectives *How will we accomplish our goals?*

Outcome 1: Safe and Clean Parks, Facilities and Attractions

Year 1: 2006-2007 – Planned Service Strategies

- **Growth in Inventory** – Funding of \$1.4 million for all maintenance and operating costs for new facility and attraction inventory becoming operational in 2006-2007 is included in this budget for PRNS. PRNS submitted to the City Council a detailed facility re-use strategy for 2006-2007 and beyond which will optimize utilization of the new facilities and transition other facilities to more viable options. These actions are necessary to implement the Multi-Service Delivery System.

The Library Department will be adding additional staff and resources to operate newly opened facilities at the same level as other existing branch libraries. In addition, the department will redeploy staff from branches closed for renovation to operate new branches, but services may be limited by the net availability of assigned staff. When the renovated Cambrian Branch Library reopens in mid 2006-2007, it is projected to constitute the first net new library, with funding for all new staffing required. The 2006-2007 budget provides for the addition of staff to provide basic customer service at this net new facility.

- **Parks Maintenance** – New developed parks will be added to the inventory in 2006-2007. Maintenance funding is approved for the following facilities: Fowler Creek Park Phase 1, two turnkey parks, two community gardens, three dog parks, 15 trails/trail segments, and 15 other park capital projects. This reflects funding for over 19 new park acres, 5.9 miles of new paved trails and 9.9 miles of interim trails. Improvements and/or new projects within existing parks are not included in the new park acreage total (e.g. restroom development in Plata Arroyo Park, dog park in Butcher Park, Phase II Improvements in Almaden Lake Park).

In 2005-2006, maintenance of neighborhood parks was reduced by two days a week and regional park maintenance was reduced from seven to six days per week. Park restrooms, however, were kept open, serviced and stocked even on park non-maintenance days. Added resources for 2006-2007 are only sufficient to continue this reduced level of maintenance at new sites.

In 2006-2007, a reduction in maintenance to History Park is approved and the remaining landscape maintenance provided by City staff to Convention and Cultural Facilities is to be eliminated at the request of Team San José. In addition a new position is approved to allow better utilization of the City's Asset Management software to manage Parks and help make informed infrastructure maintenance decisions.

Year 2: 2007-2008 – Projected Service Strategies

- **Growth in Inventory/Maintenance and Operations** – Since 2000-2001 over 65 new developed park acres have been added to the City's park system with an additional 8.4 acres projected for completion in 2007-2008. If additional reductions are taken from Parks Maintenance in 2007-2008, recreation program assets at regional parks would be proposed for elimination and neighborhood park restroom closures would be proposed. It would be the preferred choice to allow all parks to remain open and accessible.

Landscape maintenance is provided by parks maintenance staff to numerous civic grounds throughout the City that are not immediately adjacent to park grounds, in addition to facilities that are in or adjacent to land in the park system. It is possible that responsibility for maintenance of 17 libraries, the Fire Training Center, and five civic grounds/civic complexes would be returned to their departments (Library, Fire and General Services Department, respectively) for the funding and oversight of the grounds maintenance. Civic grounds maintenance sites immediately adjacent to park facilities would continue to be maintained.

City Service Area
Neighborhood Services
TWO-YEAR INVESTMENT STRATEGY

Key Investments & Objectives *How will we accomplish our goals? (Cont'd.)*

Outcome 1: Safe and Clean Parks, Facilities and Attractions (Cont'd.)

Year 2: 2007-2008 – Projected Service Strategies (Cont'd.)

Growth in Inventory/Maintenance and Operations (Cont'd.) – All alternatives would be considered before determining if some parks throughout the City might have to be fenced off and closed to public use in order to realize savings. If this were to occur, remaining resources would be allocated to focus on providing health and safety activities at the open parks, and customer response time might be negatively affected in terms of responding to park concern calls.

The Library Department will continue its planned use of staff from closed branches to open new and renovated branches. However, as net new facilities come on line and current staff move into significantly larger replacement facilities, additional new staff and operations and maintenance funding will be required to open these new facilities. The Five-Year General Fund Forecast includes the projected costs for basic services to operate new library facilities, community centers, trails and parks.

Outcome 2: Vibrant Cultural, Learning and Leisure Opportunities

Year 1: 2006-2007 – Planned Service Strategies

- **Program Consolidations** – As the larger, newer “hub” multi-service community centers are opened, staff located at smaller, outlying facilities will be consolidated into the “hub” facility. This will entail the shifting of specialized service delivery (i.e. seniors, youth) from these smaller facilities into the “hub”. Smaller facilities will be evaluated for potential re-use by the City or CBOs, for closure or for other uses on a cost neutral or revenue-generating basis. As PRNS continues to experience increases in facility infrastructure through the expansion of square footage, they have at the same time experienced a reduction in staffing levels and operating and maintenance budgets. Consolidation into the “hub” facilities and re-use or closure of smaller buildings is essential. The CSA will try to effectively merge overlapping and related services throughout the City.
- **Service Adjustments** – Core program service delivery has been strongly protected in this budget. While some programs will be eliminated, and other specialized programs will be expected to become more cost recovery thus reducing support from the General Fund, this budget maintains the current level of services for all core programs. For the first time in a number of years this lends an element of continuity for staff and customers not possible in prior years. It is still essential for the CSA to continue developing service models to contain costs and respond to the needs of its customers.

Asset reductions include a small reduction in overall non-personal/equipment funding in PRNS. New fees as well as other fee increases in areas that have not been addressed in several years were also approved. The Adult Sports program is making a substantial staffing reduction, but by appropriate restructuring of the program, revenues are expected to remain high and the cost recovery rate will increase.

The Library Department will focus on providing fundamental and essential library services, continuing at much the same level as in 2005-2006. There will be fewer flexible options for staffing during planned and unplanned staff absences with the loss of 4.6 vacant positions. The library system will be opening three new facilities, with all branches offering at least 47 weekly hours. Slight delays in the grand opening of several new branches will allow for nominal staff and resource savings to be realized in the General Fund for 2006-2007 (one-time savings of \$118,000). All future new library facilities will be opening with only the minimum of projected operating and maintenance funding, which will further impact the General Fund.

City Service Area
Neighborhood Services
TWO-YEAR INVESTMENT STRATEGY

Key Investments & Objectives *How will we accomplish our goals? (Cont'd.)*

Outcome 2: Vibrant Cultural, Learning and Leisure Opportunities (Cont'd.)

Year 1: 2006-2007 – Planned Service Strategies (Cont'd.)

- **Community Based Organization Impacts** – For the first time in four years CBO partners will not be faced with a reduction in their allocated funding. In addition, these CBOs have been provided a cost of living increase in the base funding levels of 3.75%. These actions should help the organizations gain some stability in the current economy. Staff will continue to develop agreements to focus organizations' efforts to support and supplement the diminishing services being provided by the CSA.
- **Child Care Strategy** – Building upon the ongoing implementation of San José's Early Care and Education Strategic Work Plan, the Mayor's 2006 State of the City speech set a new goal for the creation of 4,000 Smart Start San José childcare spaces by 2010. In administering this program in partnership with the San José Redevelopment Agency, the Library Department is on track to meet this goal, using a strategy that combines the creation of new affordable, quality childcare spaces with facility and program upgrades that bring existing childcare sites under the Smart Start San José umbrella. Early Care initiatives, most particularly the creation of quality child care spaces throughout the city, will be supported by the addition of one position to manage numerous contracts and provide ongoing oversight of agreements.

Year 2: 2007-2008 – Projected Service Strategies

- **Program Consolidations** – If additional reductions are required, there may no longer be a "hub" multi-service community center for every council district. Residents would be referred to programs and services in "hub" facilities in regional locations throughout the City. "Hub" facilities with larger square footage and the capability to provide multiple services out of one facility will be the centers that will remain open and effectively leverage the limited staffing levels.
- **Service Adjustments** – As reductions continue into 2007-2008, there may be fewer facilities offering fewer programs and services, and days and hours of operation may need to be reduced further. Core services will be significantly impacted including programs to youth, seniors, and persons with disabilities. Facilities will have a greater reliance on self-directed programs and services provided by participants/volunteers or as simply a place to experience drop-in facility use. There will be a higher expectation to provide services that are completely cost recovery and that generate revenue. Residents will experience fewer programs and services, will need to travel further to obtain services, and will be expected to pay a greater percentage of the cost associated with providing a program or service.

The Library Department could be in a position where the only feasible option would impact the days of service at all branch libraries. This would greatly affect the branch library operations and services offered to the community. Two more new facilities are scheduled for opening in 2007-2008, compounding the impact of operating and maintenance costs on the General Fund.

- **Community Based Organization Impacts** – Staff will continue to develop agreements to focus organizations' efforts to support and supplement the diminishing services being provided by the CSA. CBO funding will have to be closely examined to ensure essential CBO services continue, but less essential services are curtailed to realize savings and to ensure that essential CBO services remain adequately funded.

Key Investments & Objectives *How will we accomplish our goals? (Cont'd.)*

Outcome 3: Healthy Neighborhoods and Capable Communities

Year 1: 2006-2007 – Planned Service Strategies

- **Community Safety** – Public safety, community education and training functions continue to be a high priority to the City. Protocols that have been developed will not be changed and community and school liaisons will be preserved. The restructure and development of the Mayor's Gang Prevention Task Force Strategic Plan will result in an integrated City-wide Intervention Strategy that leverages existing community resources and creates a better coordinated intervention strategy. The continuation of BEST funding in 2006-2007 is approved.

Existing levels of Youth Intervention Services (YIS) are strongly protected in this budget. Some vacant positions are approved for elimination, but others such as a Recreation Superintendent and a Recreation Supervisor position are created in order to ensure more effective operations of YIS. The net effect on current operations will be an increase in real resources and better continuity and accountability.

- **Building Strong Neighborhoods** – Access to recreation, learning and cultural services is a key component of San José's initiative to build strong neighborhoods. While the administrative oversight of the Strong Neighborhoods Program was transferred out of the CSA in 2004-2005, many of the Building Strong Neighborhoods program elements (leadership development, capacity building, volunteer recruitment, capital facilities development, housing improvement, and code enforcement) continue to be provided through this CSA. The CSA will continue to work hand-in-hand with the Strong Neighborhoods Team to deliver neighborhood priorities for parks, libraries, open space, community facilities, housing and code compliance. A key initiative underway is to expand the Strong Neighborhoods model citywide. At the City Council's direction, funding totaling \$5 million has been included in the General Fund for this initiative in this budget. This reserve will be utilized to fund a pilot program in three areas. As part of this initiative, an additional \$4.34 million has been allocated by City Council in the 2007-2011 Capital Improvement Program to support capital projects.
- **Civic Engagement** – The City will continue its investments in Strong Neighborhoods Initiative areas and will work to develop strategies to increase civic engagement throughout the city.
- **Health/Safety Priority** - In order to maximize the effectiveness of community code enforcement, available inspection resources will concentrate on health/safety conditions such as substandard housing; illegal occupancies of garages, sheds, and basements; sewage leaks, and inadequate fencing around pools. These cases will be investigated and resolved in 24 to 48 hours. This activity is in support of neighborhood livability.
- **Enhanced Enforcement Strategies** – Code Enforcement has implemented an enhanced enforcement program to improve responsiveness involving some non-health/safety conditions. In addition, Code Enforcement will be unveiling the "blight busters" program, a resident-City collaborative to further reduce blighted conditions within the Strong Neighborhoods. Proactive shopping cart enforcement will resume improving the timely removal of shopping carts in the neighborhoods.
- **Consolidation of Federal Entitlement Grant Programs** – During 2006-2007, the CSA will facilitate the consolidation of all federal entitlement grant programs by transferring the Community Development Block Grant Program from PRNS to the Housing Department. This will result in increased grant management efficiencies and reduced administrative costs to the Community Development Block Grant Fund.

City Service Area
Neighborhood Services
TWO-YEAR INVESTMENT STRATEGY

Key Investments & Objectives

How will we accomplish our goals? (Cont'd.)

Outcome 3: Healthy Neighborhoods and Capable Communities (Cont'd.)

Year 2: 2007-2008 – Projected Service Strategies

- **Community Safety** – If reductions continue into a second year, the delivery of youth and community safety programs will continue to be guided by and coordinated with the Public Safety CSA. Crucial youth safety response capacity will be maintained but resources for lower level and proactive responses could be reduced.
- **Resource Enhancements** – Over the next two years, the CSA will be continuing its efforts to leverage City dollars with outside funds to reduce the overall reliance on the City's General Fund. Working in concert with other CSAs and non-profit partners, the CSA will work to improve administrative capabilities, strengthen community partnerships, improve communication and marketing strategies, and implement strategic fund development strategies to address key funding issues.
- **Alternative Code Funding** – Code Enforcement is exploring alternative funding opportunities, whether in the form of fines and/or fees, to address identifiable neighborhood priorities, and to offset reliance upon the General Fund.

Outcome 4: Diverse Range of Housing Opportunities

Year 1: 2006-2007 – Planned Service Strategies

- **New Resources for Housing Programs** – The Neighborhood Services CSA will aggressively pursue grants from previously untapped resources and current sources. In 2006-2007, the City of San José will utilize \$1.4 million from the State's Building Equity and Growth in Neighborhoods (BEGIN) Program funds for First-time Homebuyer Programs, \$2.25 million in CalHome grants for Rehabilitation programs, and \$1.1 million in State Workforce Housing funds for various programs.
- **Homeless Strategy Implementation** – The City is placing a strong emphasis on using creative strategies to implement the City's aggressive plan to eliminate homelessness in the next ten years. In 2006-2007, the City, working with its partners, will increase opportunities for the chronically homeless to access Section 8 housing, will focus on the development of special needs housing for the disabled homeless, and will continue Project Connect Days to provide comprehensive services to the City's homeless residents.
- **Creative Housing Initiatives** – In this period of reduced funding for affordable housing, a focus on non-monetary activities will continue, including identifying new sites for housing development, strengthening the City's inclusionary housing program, implementing a new secondary unit pilot program, addressing concerns regarding illegal units, revising Single-Room Occupancy requirements, lobbying for continued federal funding, supporting City Rent Control programs, and promoting fair and equitable lending.
- **Infill Housing Development** – By facilitating market rate infill housing development citywide, the Redevelopment Agency and City are not only creating more market rate housing to meet demand, but are also creating hundreds of affordable units as a result of the Inclusionary Housing Policy for Redevelopment Areas. In addition, the City is pursuing inclusionary housing in Coyote Valley, Evergreen Valley and the Hitachi site in South San José.

Neighborhood Services

TWO-YEAR INVESTMENT STRATEGY

Key Investments & Objectives

How will we accomplish our goals? (Cont'd.)

Outcome 4: Diverse Range of Housing Opportunities (Cont'd.)

Year 1: 2006-2007 – Planned Service Strategies (Cont'd.)

- **Increased Resources for the Housing Rehabilitation and Loan Compliance Programs** – Due to the success of the multi-family housing rehabilitation demonstration projects in SNI neighborhoods, dedication of staff to this broadened effort in the coming year will be considered depending on the availability of funding, which will be known once the San José Redevelopment Agency receives its property tax roll information in July 2006 and will be considered by the City Council in August. Additionally, increased resources in the Loan Compliance division will address growing compliance needs of the Housing Department loan portfolio.

Year 2: 2007-2008 – Projected Service Strategies

- **Homeless Strategy Implementation** – In 2007-2008, the City will focus on establishing a supportive service system that will enable homeless families to move directly into permanent housing, and work on a regional basis to ensure that homeless families receive services in their own jurisdictions.
- **Inclusionary Housing Policy Implementation and Compliance** – In 2007-2008, the City will assist developers in managing new affordable housing units created by the inclusionary housing policy. As intensification of housing efforts in Redevelopment Project Areas and other areas in the City grow, staff responsibilities related to the management of these units will increase significantly.
- **Financing of New Affordable Housing** – If the tax increment revenues begin to grow with the recovering economy as expected, the City will leverage new resources with the issuance of debt in order to finance new affordable housing.

City Service Area
Neighborhood Services
PERFORMANCE BY OUTCOME

Outcome 1: Safe and Clean Parks, Facilities and Attractions

The *Greenprint for Parks and Community Facilities and Programs* documents the community's desire to have clean, safe, and well-maintained parks. The community confirmed its support for parks and libraries with the passage of two general obligation bond measures in November 2000 to finance the renovation and enhancement of existing parks and facilities, as well as the addition of parks, libraries, and community-serving facilities.

Parks Maintenance

In 2005-2006, neighborhood parks benefited from additional, ongoing maintenance funding for new park acreage of \$437,900. However, neighborhood parks also took a net reduction of 14.35 positions in maintenance staff. Further, in prior years, funding for new facilities has not been allocated in PRNS. Consequently, the ratio of neighborhood parks maintenance budget to developed park acreage declined in 2005-2006.

In this budget, \$1.4 million in additional funding for maintenance and operations of new facilities and sites was included, a very positive step to halt the erosion of park maintenance resources. It should be noted however that the added resources are at current maintenance levels. To improve maintenance capabilities, additional funding would be required as well as resources to address significant infrastructure maintenance issues.

Given the additional maintenance and operations assets as well as the minimal reduction to parks maintenance in 2006-2007, PRNS anticipates retaining the current levels of performance in 2006-2007. Impacts are projected for 2007-2008 based on an 8.2% reduction target.

For 2005-2006, staff anticipates the "% of parks and facilities with a staff conducted infrastructure condition assessment rating of good or better" to have slightly better year-end results of 16% compared to the one-year target of 15%. In order to achieve the five-year goal, increases in staffing level as well as additional capital investment is needed in key systems such as turf, irrigation, landscape, and trees. In recognition of anticipated funding levels, the 5-Year goal has been lowered from 65% to 50%.

In the biannual community survey, there are two customer satisfaction performance measures associated with parks. They include "% of residents rating performance in maintaining public parks in good physical condition as good or better" and "% of residents that rate the appearance of neighborhood parks as good or better." The 2005-2006 performance result was 65% and 68%, respectively. This is a more moderate decline from the 2004-2005 targets of 66% and 72%, respectively, than expected. This is primarily due to what staff believes is the public's awareness of the decline in park maintenance resources during the reporting period.

5 Year Strategic Goals	CSA Performance Measures	2007-2011 5-yr Goal	2005-2006 1-yr Target	2005-2006 Estimate	2006-2007 1-yr Target	2007-2008 2-yr Target
A. All parks and facilities will be safe, clean and well maintained	1. % of parks and facilities with a staff conducted infrastructure condition assessment rating of good or better	50%	15%	16%	16%	18%
	2. % of residents rating performance in maintaining public parks in good physical condition as good or better	75%	60%	65%	65%	65%
	3. % of residents that rate the appearance of neighborhood parks as good or better	80%	60%	68%	68%	68%

Changes to Performance Measures from 2005-2006 Adopted Budget: No

City Service Area
Neighborhood Services
PERFORMANCE BY OUTCOME

Outcome 1: Safe and Clean Parks, Facilities and Attractions (Cont'd.)

5 Year Strategic Goals	CSA Performance Measures	2007-2011 5-yr Goal	2005-2006 1-yr Target	2005-2006 Estimate	2006-2007 1-yr Target	2007-2008 2-yr Target
B. Neighborhood Services CSA delivers quality CIP projects on-time and on-budget	1. % of CIP projects that are delivered* within 2 months of approved baseline schedule	85%	85%	65%*** (32/49)	85%	85%
	2. % of CIP projects that are completed** within the approved baseline budget	90%	90%	74% (14/19)	90%	90%
	3. % of project delivery costs (exclusive of city-wide overhead) compared to total construction costs for completed projects with construction costs**:					
	less than \$500,000-	31%	31%	31%	31%	31%
	between \$500,000 and \$3M-	23%	23%	46%	23%	23%
	greater than \$3M-	15%	15%	39%	15%	15%
	Total (all construction costs)-			40%		
	4. % of operations and maintenance divisions rating new or rehabilitated capital facilities as being functional and sustainable after the first year of use	80%	80%	65%	80%	80%
	5. % of customers rating new or rehabilitated CIP projects as meeting established goals (4 or better based on a scale of 1-5)	85%	85%	70%	85%	85%

Changes to Performance Measures from 2005-2006 Adopted Budget: No

* Projects are considered to be "delivered" when they are available for their intended use.

** Projects are considered to be "completed" when final cost accounting has occurred and the project has been accepted.

Quality CIP Projects

This CSA is responsible for the Library and Parks and Community Facilities Development Capital Improvement Programs. In November 2000, voters approved bond measures that enabled issuance of a total of \$440 million in General Obligation Bonds to improve facilities over a 10-year period. Capital projects completed in 2005-2006 for this CSA include Rose Garden Branch Library, Camden Multi-Service Community Center and the joint Almaden branch library and community center. Also in 2005-2006, over 90,000 square feet of recreational space opened including: Southside Community Center expansion; Youth and Family Center at Los Paseos; a Community Policing Center of which 3,000 square footage is dedicated to PRNS; and the new Berryessa Youth Center.

For 2006-2007 the Capital Park Neighborhood Center and the Starbird Teen Center will become operational as well as over 20 park projects including dog parks, Fowler Creek Park improvements, Lake Cunningham perimeter improvements and enhancements at Emma Prusch Farm Park as well as trail segments. The Hillview, Cambrian and Evergreen Branch Libraries are all projected to become operational in 2006-2007.

The City and this CSA are delivering new and improved amenities to residents not only at an unprecedented rate, but also at a high level of quality.

City Service Area
Neighborhood Services
PERFORMANCE BY OUTCOME

Outcome 2: Vibrant Cultural, Learning and Leisure Opportunities

Service Adjustments

San José residents want, need, and expect a variety of accessible, community based learning and leisure services for a full range of ages, cultures, and abilities. Strategies include early childhood development, family literacy, before and after school support, career development, safe schools and neighborhoods, and programs that emphasize inclusion and independence for seniors and persons with disabilities. In 2005-2006, performance targets were set to acknowledge customer perception of a reduction in services. With the approved budget impacts not significantly impacting these programs, service is expected to remain at the same level and in some cases improve. In the long term, most five-year customer satisfaction goals are still viewed as attainable and have not changed.

The 2006-2007 Adopted Budget protects the vital services delivered in this outcome. Not only are there no reductions with significant program impacts, maintenance and operating funding for new 2006-2007 operational sites is included.

Recreation – PRNS will continue to implement a multi-service delivery “hub” model that seeks to optimize resources and ensures the delivery of its core services for youth, seniors and persons with disabilities now and in the future. PRNS transmitted to the City Council a detailed facility re-use strategy for 2005-2006 and beyond that will optimize utilization of the new facilities and transition other facilities to more viable options.

Libraries – Construction is nearing completion on the Evergreen Branch Library and the facility will open in early 2006-2007. Cambrian and Hillview branch libraries are also scheduled to open in 2006-2007. Design work continues on Edenvale, Joyce Ellington, Pearl Avenue and Willow Glen branch libraries and all will be under construction in 2006-2007. Branches that will be in various stages of the design phase in 2006-2007 are East Branch, Santa Teresa, Bascom, Seventrees, Educational Park, and Calabazas branches.

Neighborhood Services

PERFORMANCE BY OUTCOME**Outcome 2: Vibrant Cultural, Learning and Leisure Opportunities (Cont'd.)**

5 Year Strategic Goals	CSA Performance Measures	2007-2011 5-yr Goal	2005-2006 1-yr Target	2005-2006 Estimate	2006-2007 1-yr Target	2007-2008 2-yr Target
A. Provide a full range of affordable and accessible learning and leisure opportunities to enhance the wellness of San José residents	1. % of customers rating leisure and educational programs as very good or better based on quality, content and responsiveness	90%	75%	82%	80%	80%
	2. % of customers reporting that services made a positive difference in their lives	90%	75%	75%	77%	80%
B. Implement service delivery methods which fulfill customer and residents' needs	1. % of customers and residents rating library services as good or better					
	* Point of Service	80%	70%	75%	75%	75%
	* Community Survey	70%	65%	72%	70%	70%
	2. % of customers and residents rating City efforts at providing recreational opportunities and programs at parks and recreation centers as good or better					
	* Point of Service	90%	75%	80%	80%	80%
C. Offer programs and services that support successful youth and their families	* Community Survey	55%	45%	50%	50%	55%
	1. % of students entering kindergarten from Smart Start San José programs with the foundation needed for academic and social success	80%	75%	75%	75%	80%
	2. % of after school program participants with improvements in their ability to complete their homework	90%	80%	79%	80%	80%
	3. % of program participants who report a change for the better in their academic scores	70%	60%	56%	60%	60%
	1. % of participants reporting that City programs play an active role in keeping body and/or mind active for seniors and persons with disabilities	85%	85%	85%	85%	85%
D. Provide services and programs that promote independent living for City seniors and persons with disabilities	2. % of residents rating City efforts at providing programs to help seniors that live on their own, as good or excellent	50%	50%	39%	39%	42%

Changes to Performance Measures from 2005-2006 Adopted Budget: No

City Service Area
Neighborhood Services
PERFORMANCE BY OUTCOME

Outcome 3: Healthy Neighborhoods and Capable Communities

The CSA continues to explore new and innovative strategies for building stronger neighborhoods and more capable communities. As budget challenges persist, the CSA is actively pursuing an alternative service delivery system that emphasizes the importance of civic engagement and the interconnectedness of community safety issues.

Anti-Graffiti and Anti-Litter Programs

The highly successful volunteer-based Anti-Graffiti and Anti-Litter programs will continue to deliver their essential services.

The January 2006 survey found only 129 tags, a 99% reduction from 1999. The percent of customers rating City efforts at removing graffiti as good or better is 94%. The target for removal of graffiti within 48 hours

will remain at 95% and the graffiti will continue to be removed in a timely manner. In 2006-2007, there will be no program reductions for the Anti-Graffiti and Anti-Litter Programs. Anti-Graffiti performance targets have been retained at current levels.

Safe Schools Campus Initiative

The Safe School Campus Initiative (SSCI) is not impacted by any reductions in this budget. The program will continue at current levels and maintain the performance levels currently delivered. The addition of a Recreation Supervisor and a Recreation Superintendent for oversight of Youth Intervention Services should add to the programs continuity and effectiveness. The performance targets for this area will remain the same for 2006-2007.

5 Year Strategic Goals	CSA Performance Measures	2007-2011 5-yr Goal	2005-2006 1-yr Target	2005-2006 Estimate	2006-2007 1-yr Target	2007-2008 2-yr Target
A. Establish San José as a "Graffiti-Free and Litter-Free City"	1. % of overall reduction in tags compared to 1999 Citywide survey	100%	97%	99%	99%	99%
	2. % of graffiti in parks removed within 24 hours	100%	80%	99%	99%	98%
	3. % of graffiti reported on the "Anti-Graffiti Hotline" removed within 48 hours	100%	95%	98%	95%	95%
	4. % of customers rating City efforts at removing graffiti as good or better	90%	85%	94%	85%	85%
	5. % of Litter Hot Spots rated a 1 (no litter) or 2 (slightly littered) based on the Keep America Beautiful Index	75%	75%	61%	75%	75%
	6. % of volunteers rating their Litter Hot Spot as a 1 (no litter) or 2 (slightly littered) based on the Keep America Beautiful Index	75%	75%	78%	75%	75%
B. Residents will perceive that their neighborhood has improved (that is, safer and cleaner)	1. % of Safe School Campus Initiative school clients rating City efforts at keeping schools safe good or better	90%	90%	90%	90%	90%
	2. % of high school/community crisis incidents responded to within 30 minutes	100%	100%	100%	100%	100%
	3. % of residents indicating that the physical condition of the neighborhood has gotten better over the last two years	60%	50%	48%	50%	50%

Changes to Performance Measures from 2005-2006 Adopted Budget: No

City Service Area
Neighborhood Services
PERFORMANCE BY OUTCOME

Outcome 3: Healthy Neighborhoods and Capable Communities (Cont'd.)

5 Year Strategic Goals	CSA Performance Measures	2007-2011 5-yr Goal	2005-2006 1-yr Target	2005-2006 Estimate	2006-2007 1-yr Target	2007-2008 2-yr Target
C. Develop capable, connected leaders and strong neighborhood organizations	1. % of participants who develop successful community leadership behaviors	90%	90%	89%	85%	85%
	2. % of residents that volunteered their time to a community or government organization	50%	34%	33%	33%	35%
D. Support the development and implementation of neighborhood driven plans	1. % of resident-identified SNI plan priorities implemented	TBD*	35%	48%	75%	TBD*
E. Provide effective animal care and control for residents of San José	1. % of Priority 1 calls with response time in one hour or less. (Priority 1: injured or aggressive animal, or public safety assist)	95%	88%	85%	85%	85%
	2. Animal Care Center Live Release Rate	65%	50%	48%	50%	54%
F. Assist Homeowners, Rental Property Owners, mobile Home owners to Rehabilitate Their Dwellings	1. % of target achieved for abatement of substandard housing units through Code Enforcement and Housing actions	100% (21,300 units)	100% (4,250 units)	100% (4,250 units)	100% (4,300 units)	100% (4,250 units)
G. Revitalize and Rehabilitate Uses, Sites, and Structures in Neighborhoods, Commercial, and Industrial Areas	1. % of targeted properties in Strong Neighborhood Initiative areas with improved physical appearance as measured by the Blight Analysis (target in parenthesis)	100% (13,750)	100% (2,750)	100% (2,750)	100% (2,750)	100% (2,750)
	2. % of residents who indicate that the physical condition of the neighborhood is about the same or better (Annual Code Enforcement Survey)	85%	84%	84%	85%	85%
H. Quality Living and Working Environment	1. % of residents rating their neighborhood in "good" or better physical condition based on the biennial Community Survey	75%	67%	67%	70%	70%
	2. % of time inspection/assessment for Code cases occurs within targeted times (target in parenthesis)					
	- Health/Safety Cases (within 72 hours)	95%	90%	100%	95%	95%
	- Non-Health/Safety Cases (within 60 days)	50%	45%	57%	50%	50%

Changes to Performance Measures from 2005-2006 Adopted Budget: Yes¹

¹ Changes to performance measures from 2005-2006 Adopted Budget:

○ The "% target achieved for units rehabilitated" measure was revised to clarify language to reflect actual process measured.

* To be determined pending approval of the SJRA budget in 2007

Strong Neighborhoods Program

The Strong Neighborhoods team enters 2006-2007 with a mandate to implement the Building Strong Neighborhoods Business Plan. This plan calls for:

- Strengthening neighborhood leadership - Each neighborhood will be encouraged to examine the organizational capacity of their Neighborhood Action Coalition (NACs) and the overall community. The intention is to develop the organizational capacity of the NACs and to create a network of

interconnected neighborhood leaders. Community capacity will be strengthened by creating a neighborhood leadership network.

Delivering neighborhood priorities - Over 120 SNI improvement projects that residents identified as most important to them have been completed: rehabilitated housing, community gardens, street repairs, streetlights, and street trees, to name just a few. The immediate priority for the Strong Neighborhoods Program will be to renew the action agenda for the 19 neighborhoods in the Strong Neighborhoods Initiative

Outcome 3: Healthy Neighborhoods and Capable Communities (Cont'd.)

Strong Neighborhoods Program (Cont'd.)

Redevelopment Project Area that takes into account the balance of neighborhood action priorities, capital projects and transformative opportunities.

- Improving city services - City departments will be encouraged to work with neighborhoods to continue to remove bureaucratic obstacles. They will continue to enable neighborhoods to implement projects and to transform the City process to allow for greater partnerships between the City and neighborhoods. Recent feedback from neighborhood leaders has resulted in an action to explore methods of improving code enforcement through the use of volunteers and improved tracking methods. Suggestions such as these will help strengthen service delivery to neighborhoods and improve relationships between programs and the people they serve.
- A key initiative is underway to expand the Strong Neighborhoods model beyond redevelopment areas. The underlying idea is to apply the SNI example of collaborative planning with residents to guide other city investments in neighborhoods. The goal will be to link citywide plans for parks, libraries, and streets with neighborhood priorities, and create a comprehensive plan that cuts across bureaucratic boundaries. At Council's direction, a \$5 million Neighborhood Improvement Reserve has been included in the General Fund for Building Strong Neighborhoods in three pilot areas. An additional \$4.34 million has been allocated by City Council in the 2007-2011 Capital Improvement Program to support capital projects as part of this initiative.

Neighborhood Development Center

At the City Council's direction, the Neighborhood Development Center (NDC) has been transferred to the Strong Neighborhoods Team under the direction of the City Manager's Office. The NDC will be integral to the successful evolution of Strong Neighborhoods into Building Strong Neighborhoods,

as NDC staff already operate at a city-wide level and have helped establish organizations across San José. As a formal part of the Strong Neighborhoods Team, the NDC will assist in the areas of outreach and neighborhood organizing, organizational development, leadership recruitment and development, translation and interpretation, and coordination with City departments and services. Existing NDC functions outside of the aforementioned areas of responsibility will be evaluated as part of the alignment process and will be implemented to the extent the functions support the overall goal of Building Strong Neighborhoods.

By formally aligning the NDC and Building Strong Neighborhoods pilot efforts with the Strong Neighborhoods Team, staff intends to build and sustain capable, cohesive, and action-oriented organizations that can effectively partner with City departments to implement neighborhood priorities and improve service delivery.

Animal Care and Services

With the opening of the Animal Care Center in October 2004 and the addition of the low cost spay and neuter clinic in March 2006, Animal Care and Services provides complete animal control and sheltering services for San José as well as for Saratoga, Los Gatos, Cupertino and Milpitas. Existing resources have been allocated towards increasing the Live Release Rate of shelter animals and sustaining an acceptable response time for animal related service calls. The performance targets reflect these goals and achievements in these areas.

Future Teacher Loan Program

Other reductions in this outcome include the elimination of the Future Teacher Loan Program. Usage of the program has been low and this resource was identified as less crucial than direct customer service programs.

Code Enforcement

Code Enforcement has experienced significant reductions in staffing as a result of the General Fund deficit. These staff reductions resulted in the development of several new initiatives aimed at

Outcome 3: Healthy Neighborhoods and Capable Communities (Cont'd.)

Code Enforcement (Cont'd.)

maintaining responsiveness to community priorities. For instance, Code Enforcement created the Vehicle Spotters Program as an opportunity to empower residents concerned about abandoned and/or stored vehicles on the street. In addition, the Code Enforcement Assistance Project and the Landscape Grant Program were developed in an effort to assist low-income/handicapped/elderly residents to comply with provisions within the Neighborhood Preservation Ordinance.

Code Enforcement remains committed to responding to complaints which involve immediate threats to life and safety, within 24-48 hours. Though field inspection services will continue to be delayed for many types of violations that are not health and safety in nature (e.g. zoning complaints), Code Enforcement has implemented an enhanced service delivery model to

address neighborhood "quality of life" conditions. This new enforcement model will result in the issuance of a warning letter being mailed to the alleged violator within 24 hours of receipt of the complaint, and a field inspection within 15 days. If the responsible party fails to correct the condition, as described in the warning letter, an administrative citation will be issued without further warning. In addition, to address the proliferation of abandoned shopping carts, Code Enforcement was approved to reinstate proactive enforcement to focus violations of the Abandoned Shopping Cart Prevention Plans.

City Service Area
Neighborhood Services
PERFORMANCE BY OUTCOME

Outcome 4: Diverse Range of Housing Opportunities

Diverse Range of Housing Opportunities

The City is committed to producing affordable housing for families of all income levels. The City is on target to exceed the goal of producing 10,000 (under construction and completed) affordable housing units in the eight-year period from 1999 through 2006. In the January 2006 State of the City address, the Mayor announced a new goal of 1,200 affordable units a year, with a commitment that 25% of newly constructed, City-funded units will be affordable to extremely low-income households. The City will continue to explore innovative funding opportunities in the pursuit of this goal.

San José has continued to be a leader in affordable housing production. San José has 10% of the population from California's ten largest cities, yet it has produced nearly 30% of the units built in these cities. Additionally, San José has met its total seven-year Regional Housing Needs Allocation (RHNA) goal established by the Association of Bay Area Governments (ABAG) for all housing (affordable and market) produced. San José continues to lead the

region in responding to housing needs by providing both affordable and market-rate housing choices.

Increasing Homeownership Opportunities

Services for Teachers – The City continues to support its policy of being the most teacher-friendly city in the country. The City's Teacher Housing Program provides loans of up to \$65,000 to help kindergarten through 12th grade teachers purchase their first homes. Annual funding for the program is \$4 million, half from federal HOME funds and half from the City's 20% Redevelopment Tax Increment revenue. In January 2006, the City celebrated the 500th teacher receiving a homeownership loan through the Teacher Homebuyer Program.

Also in January 2006, the City Council approved a pilot homebuyer program in conjunction with San José State University to provide loans of up to \$60,000 to tenure-track teachers at the University. The pilot includes \$1,000,000 in funding, half from the City's 20% Redevelopment Tax Increment revenue and half from the University.

5 Year Strategic Goals	CSA Performance Measures	2007-2011 5-yr Goal	2005-2006 1-yr Target	2005-2006 Estimate	2006-2007 1-yr Target	2007-2008 2-yr Target
A. Increase the Supply of Affordable Housing	1. % of cumulative achievement toward affordable housing production goals (target in parenthesis) - 1999-2006 target (10,000 units) - Ongoing target (1,200 annually)	N/A 100% (6,000 units)	100% (9,375 units) N/A	121% (11,346 units) N/A	100% (10,000 units) 100% (1,200 units)	N/A 100% (1,200 units)
B. Disperse Affordable Housing Throughout the City (Dispersion Policy)	1. Five year cumulative % of City funded lower income housing located outside of impacted neighborhoods (neighborhoods with a high concentration of low income households)	85%	85%	78%	85%	85%
C. Direct Significant Affordable Housing Resources to Lower-Income Households	1. % Housing Department funds reserved by income levels over 5 years: - Very Low (<=50% of median) - Extremely Low (<=30% of median) - Very Low (31-50% of median) - Low (51-80% of median) - Moderate (81-120% of median)	60% 30% 30% 25% 15%	55% 27% 28% 35% 10%	52% 27% 25% 37% 11%	60% 30% 30% 25% 15%	60% 30% 30% 25% 15%

Changes to Performance Measures from 2005-2006 Adopted Budget: No

City Service Area
Neighborhood Services
PERFORMANCE BY OUTCOME

Outcome 4: Diverse Range of Housing Opportunities (Cont'd.)

Housing Program Funding Sources

For 2006-2007, the Housing Department will manage funding of approximately \$95 million from a variety of sources to support services and programs. A portion of these funds is used to administer housing programs

and pay debt service. The large majority of these funds however are spent on direct program expense. The chart below lists all funding sources for 2006-2007.

2006-2007 Housing Program Funds
2,500,000 Comm. Dev. Block Grant (CDBG) – Housing Rehab.
240,000 CDBG – Predevelopment Loan Program
1,750,000 CalHome
500,000 CalHome, EAGR
441,000 Emergency Shelter Grant
13,254,000 HOME Investment Partnership Program Fund
735,000 Housing Opportunities for People with AIDS (HOPWA)
482,000 HOPWA Special Projects
1,555,000 Proposition 46 Housing Trust Fund Grant
537,000 Proposition 46 Workforce Housing Reward Program
1,410,000 Proposition 46 BEGIN
454,000 Rental Rights and Referrals Program
41,000 CDBG – Rental Rights and Referrals Program
31,932,000 20% Redevelopment Tax Increment
25,118,000 Loan Repayments, Interest Income, & Misc. Revenue
500,000 San Jose State University
13,775,000 Bond Sales
95,224,000 Total Program Funding Sources

Targeted Funding

The City Council has established specific funding goals by income level, targeting most of the funds for those households with the least ability to pay for housing. Since 1988 it has been City Council policy that a minimum of 60% of funding is targeted to housing for very low-income households, and no more than 15% of funding will be reserved for moderate-income households. In 2004, in response to declining tax increment revenues, the City Council approved a funding strategy for the Housing Development Program that requires developers to compete for housing subsidies and encourages them to achieve affordability for extremely low-income households. In January 2006, the Mayor announced a goal of targeting

25% of funding for housing units affordable to extremely-low income households.

Proactively Identifying Funding Sources

The Housing Department and its partners have aggressively pursued funds made available with the passage of State Proposition 46. In July 2005, the City was awarded \$2,040,600 in State Proposition 46 funds through the Workforce Housing Reward Program. In March 2006 the City submitted an application for another \$1,280,450 in Workforce Housing Reward Program funds. In addition, in 2005-2006 the City was awarded \$2,580,000 in State Proposition 46 Building Equity and Growth In Neighborhoods (BEGIN) funds. The City intends to apply for an additional \$4.5 million in 2006-2007 for first-time homebuyer loans.

City Service Area
Neighborhood Services
PERFORMANCE BY OUTCOME

Outcome 4: Diverse Range of Housing Opportunities (Cont'd.)

5 Year Strategic Goals	CSA Performance Measures	2007-2011 5-yr Goal	2005-2006 1-yr Target	2005-2006 Estimate	2006-2007 1-yr Target	2007-2008 2-yr Target
D. Reduce Homelessness	1. Cumulative % of qualified clients who moved from homelessness to permanent housing during the ten-year period from 2004-2014	60%	10%	4%	20%	30%
E. Provide Housing Assistance to Teachers	1. % target achieved for Teacher Homebuyer Program	100% (350)	100% (100)	58% (58)	100% (70)	100% (70)

Changes to Performance Measures from 2005-2006 Adopted Budget: Yes¹

¹ Changes to performance measures from 2005-2006 Adopted Budget:

¹ The "cumulative % of qualified clients" measure was revised to align with the Ten Year Homeless Strategy to eradicate chronic homelessness.

Creative Solutions

Implementing creative solutions to the housing crisis continues to be a priority for the City.

Homeless Strategy Implementation – The City is placing a strong focus on using creative strategies to implement the City's aggressive plan to eliminate chronic homelessness in the next ten years. In December 2005, the City hosted its first Project Homeless Connect, an event that gathers representatives of a variety of agencies offering homeless services in one place so that individuals and families can readily access those services. The City will continue to host these events approximately twice a year. In 2006-2007 the City will explore a pilot program for Tenant Based Rental Assistance to provide rental assistance and supportive case management to transition homeless families into permanent housing and self-sufficiency.

Policy Initiatives – In light of reduced program funding, the City will focus on non-monetary activities, including identifying new sites for housing development, implementing a secondary unit pilot program, revising Single-Room Occupancy requirements, lobbying for Section 8 and Community Development Block Grant (CDBG) funding, supporting City Rent Control programs, and promoting fair and equitable lending over the next two years.

Inclusionary Housing Policy Implementation and Compliance – By facilitating market-rate infill housing development citywide, the San José Redevelopment Agency and City are not only creating more market-rate housing to meet demand, but are also creating hundreds of affordable units as a result of the Inclusionary Housing Policy. Over the next five years,

it is anticipated that over 800 new for-sale housing units affordable to moderate-income households will be created through this program. The City will monitor the ongoing compliance with the affordability requirements for those units. As intensification of housing efforts in Redevelopment Areas grow, staff responsibilities related to the management of these units will increase significantly.

Strong Neighborhoods Initiative Rehabilitation Program (Project Alliance) – The housing rehabilitation program has been a critical component of the partnership between the City and the SNI communities to revitalize neighborhoods. Despite the financial challenges, the Housing Department and the San José Redevelopment Agency continue to work together with other City Departments in Project Alliance to develop new neighborhood improvement strategies, and sources of funding to assist the Strong Neighborhoods program to achieve their neighborhood revitalization goals. The program will continue to provide loans and grants and construction oversight to extend the useful life of affordable housing, including single-family homes, mobile homes, and special SNI Rehab Multi-family projects.

City Service Area**Neighborhood Services****ADOPTED INVESTMENT CHANGES**

Adopted Core Service Changes	Positions	All Funds (\$)	General Fund (\$)
Outcome: SAFE AND CLEAN PARKS, FACILITIES AND ATTRACTIONS			
<i>Life Enjoyment Services</i>			
<i>(Parks, Recreation and Neighborhood Services)</i>			
• Police Activities League Complex Maintenance	3.00	115,906	115,906
• Rebudget: Happy Hollow Capital Campaign		3,400	3,400
<i>Neighborhood and Livability Services</i>			
<i>(Parks, Recreation and Neighborhood Services)</i>			
• San José McEnery Convention Center and Other Cultural Facilities Ground Maintenance Services	(1.50)	(115,177)	(10,485)
• History Park and Fallon House Grounds Maintenance Services	(0.40)	(54,505)	(54,505)
• In-Source Vehicle Maintenance Activities		(46,375)	(46,375)
• New Parks and Recreation Facilities Operations and Maintenance	9.77	437,221	437,221
• Parks Capital Improvement Program	1.00	81,877	(187,465)
<i>Strategic Support</i>			
<i>(Parks, Recreation and Neighborhood Services)</i>			
• Park Trust Fund Staffing	1.00	84,968	0
Subtotal	12.87	507,315	257,697
Outcome: VIBRANT CULTURAL, LEARNING AND LEISURE OPPORTUNITIES			
<i>Life Enjoyment Services</i>			
<i>(Parks, Recreation and Neighborhood Services)</i>			
• Adult Sports Programs Scorekeeping and Clerical Staffing	(2.31)	(147,893)	(147,893)
• Non-Personal/Equipment Funding Efficiencies		(95,382)	(95,382)
• In-Source Vehicle Maintenance Activities		(37,850)	(37,850)
• New Parks and Recreation Facilities Operations and Maintenance	12.99	888,814	888,814
• Community Center Facility Re-Use Plan Transition		662,682	662,682
• Camden and Almaden Community Centers Operations	3.00	212,790	212,790
• Addressing the Gaps in Aging Services		86,089	86,089
<i>Promote Lifelong Learning and Provide Educational Support</i>			
<i>(Library)</i>			
• Library Branch Staffing	(0.50)	(23,643)	(23,643)
• Early Care and Education Program Admin Support	1.00	102,017	102,017
• New and Expanded Library Branches Oper. and Maint.	1.00	56,211	56,211
• Books for Little Hands	1.75	122,380	0
• Rebudget: Early Care and Education Spaces		400,000	400,000
<i>Provide Access to Information, Library Materials and Digital Resources (Library)</i>			
• Library Branch Staffing	(4.10)	(201,130)	(201,130)
• In-Source Vehicle Maintenance Activities		(2,500)	(2,500)
• New and Expanded Library Branches Oper. and Maint.	31.45	1,667,491	1,667,491
• Rebudget: Library Grants		101,700	101,700

City Service Area

Neighborhood Services

ADOPTED INVESTMENT CHANGES

Adopted Core Service Changes	Positions	All Funds (\$)	General Fund (\$)
<i>Outcome: VIBRANT CULTURAL, LEARNING AND LEISURE OPPORTUNITIES (Cont'd.)</i>			
<i>Strategic Support</i>			
<i>(Library)</i>			
• Rebudget: Supplies and Materials		155,000	0
<i>(Parks, Recreation and Neighborhood Services)</i>			
• Camden Community Center Marketing		30,000	30,000
<i>Subtotal</i>	44.28	3,976,776	3,699,396
<i>Outcome: HEALTHY NEIGHBORHOODS AND CAPABLE COMMUNITIES</i>			
<i>Community Code Enforcement</i>			
<i>(Planning, Building and Code Enforcement)</i>			
• In-Source Vehicle Maintenance Activities		(5,700)	(5,700)
• Blight Busters Program	2.00	189,982	189,982
• Abandoned Shopping Cart Program	1.00	87,525	87,525
• Solid Waste and Multiple Housing Fee Programs	1.00	72,007	72,007
• Rebudgets: Database Conversion and Vehicles		249,000	249,000
<i>Community Strengthening Services</i>			
<i>(Parks, Recreation and Neighborhood Services)</i>			
• Community Development Block Grant Fund Administration Transfer	(8.00)	(1,068,788)	(1,000)
• San José Beautiful Awards Program		(20,000)	(20,000)
• PRNS Reorganization		(8,677)	(8,677)
• Healthy Neighborhoods Venture Fund Administrative Staffing	2.00	169,936	0
<i>Life Enjoyment Services</i>			
<i>(Parks, Recreation and Neighborhood Services)</i>			
• PRNS Vacant Staffing	(4.63)	(220,734)	(220,734)
• PRNS Reorganization	(1.00)	(33,168)	(45,177)
<i>Neighborhood and Livability Services</i>			
<i>(Parks, Recreation and Neighborhood Services)</i>			
• Neighborhood Development Center Operations Transfer	(2.25)	(154,323)	(154,323)
• Rebudget: Animal Care and Services		20,000	20,000
<i>Strategic Support</i>			
<i>(Housing)</i>			
• Community Development Block Grant Administration Transfer	9.00	973,885	0
<i>(Parks, Recreation and Neighborhood Services)</i>			
• PRNS Reorganization	1.00	99,827	91,390
<i>Subtotal</i>	0.12	350,772	254,293
<i>Outcome: DIVERSE RANGE OF HOUSING OPPORTUNITIES</i>			
<i>Maintain the Existing Affordable Housing Supply</i>			
<i>(Housing)</i>			
• Loan Compliance Unit Staffing	1.00	84,898	0
<i>Subtotal</i>	1.00	84,898	0

*City Service Area***Neighborhood Services*****ADOPTED INVESTMENT CHANGES***

Adopted Core Service Changes	Positions	All Funds (\$)	General Fund (\$)
<i>Other Changes</i>			
<i>City-Wide Expenses (City-Wide)</i>			
• Healthy Neighborhoods Venture Fund Outside Evaluation		100,000	100,000
• High School Parent Education Conference		23,005	23,005
• San José Future Teachers Loan Program Elimination		(100,000)	(100,000)
• Strong Neighborhoods Initiative (CMO)	2.25	154,323	154,323
• Strong Neighborhoods Initiative (Expanded)	4.00	724,518	724,518
• Miscellaneous Rebudgets		2,206,740	2,206,740
<i>General Fund Capital, Transfers, and Reserves (City-Wide)</i>			
• Capital Contributions: Rebudget of 2005-2006 Projects		2,103,000	2,103,000
• Earmarked Reserves: New Library/Parks and Recreation Facilities Reserves Elimination		(3,503,000)	(3,503,000)
• Earmarked Reserves: Parks, Recreation and Neighborhood Services Facilities Re-Use Strategy		(757,127)	(757,127)
• Earmarked Reserves: Rebudget of Enhanced Parks Maintenance Reserve		6,913,860	6,913,860
<i>Subtotal</i>	6.25	7,865,319	7,865,319
Total Core Service Changes	64.52	12,785,080	12,076,705

Service Delivery Framework

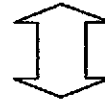
CITY SERVICE AREA
A cross-departmental collection of core services that form one of the City's 7 key "lines of business"

MISSION STATEMENT
Why the CSA exists

Neighborhood Services CSA

Mission:

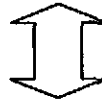
To serve, foster, and strengthen community by providing access to lifelong learning, opportunities to enjoy life, ensuring a diverse range of housing opportunities and preserving healthy neighborhoods.



Outcomes:

- Safe and Clean Parks, Facilities and Attractions
- Vibrant Cultural, Learning and Leisure Opportunities
- Healthy Neighborhoods and Capable Communities
- Diverse Range of Housing Opportunities

CSA OUTCOMES
The high level results of service delivery sought by the CSA partners



PRIMARY PARTNERS
Departments with Core Services that contribute to achievement of CSA Outcomes

CORE SERVICES
Primary deliverables of the organization

Housing Department

Core Services:

Increase the Affordable Housing Supply

Maintain the Existing Affordable Housing Supply

Provide Services to Homeless and At-Risk Population

Library Department

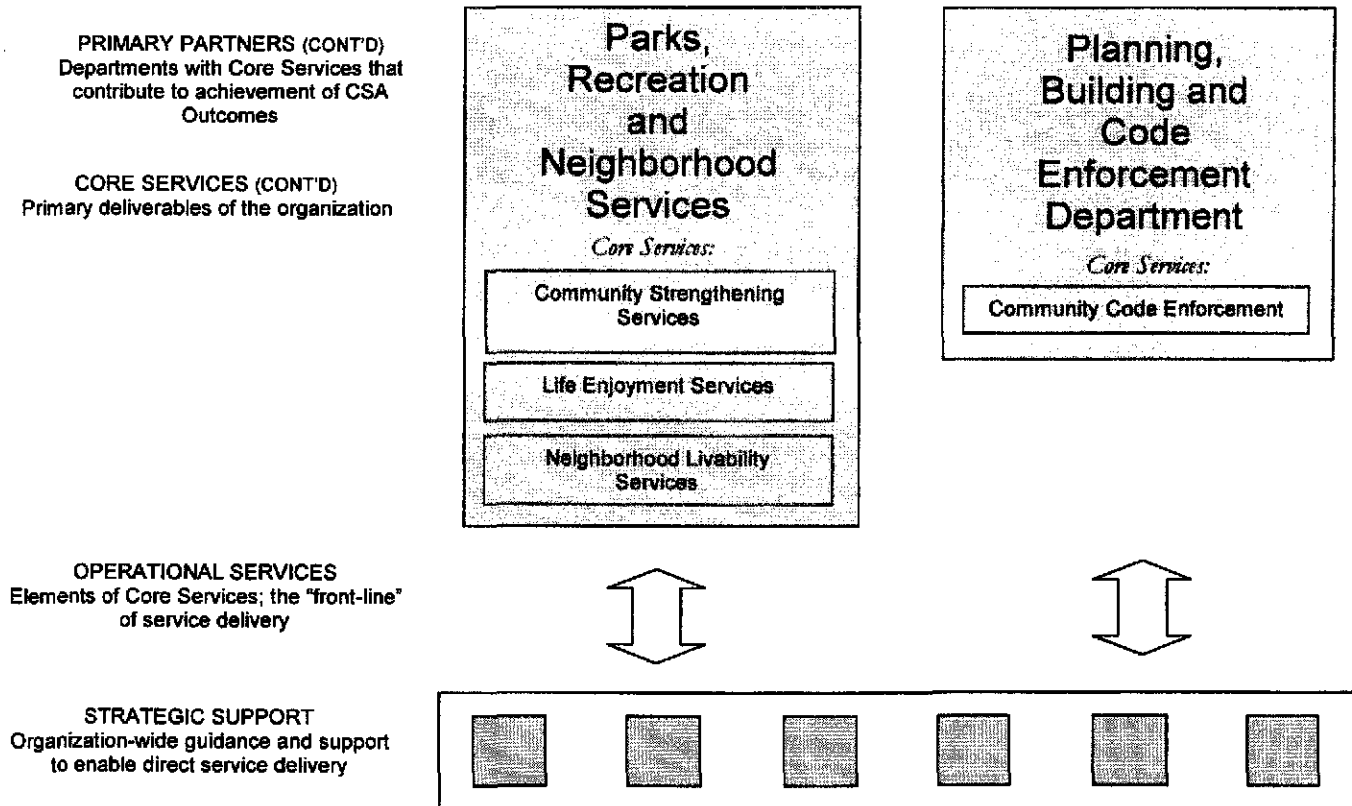
Core Services:

Promote Lifelong Learning and Provide Educational Support

Provide Access to Information, Library Materials and Digital Resources

Service Delivery Framework

Neighborhood Services CSA (Cont'd.)



Neighborhood Services CSA

Core Service: Community Code Enforcement *Planning, Building and Code Enforcement Department*

Core Service Purpose

Enforce and promote compliance with local and State codes to ensure a safe, healthy and attractive community.

Key Operational Services:

- | | |
|----------------------------------------------------------|------------------------------------------------------------|
| <input type="checkbox"/> Community Outreach | <input type="checkbox"/> Proactive Code Enforcement |
| <input type="checkbox"/> General Code Enforcement | <input type="checkbox"/> Private Property Vehicle |
| <input type="checkbox"/> Housing Code Enforcement | Abatement |

Performance and Resource Overview

The Community Code Enforcement core service prior to 2006-2007 supported the Community and Economic Development City Service Area (CSA) (formerly known as Economic and Neighborhood Development) outcome: *Safe, Healthy, Attractive and Vital Community*. In 2006-2007, this core service moved into the Neighborhood Services CSA and contributes to the Neighborhood Services CSA outcome of *Healthy Neighborhoods and Capable Communities*. The desired outcomes for this core service are decent, safe, and sanitary housing and neighborhoods; the prevention of property damage; and the preservation of the condition of the City's housing stock. To further these goals, the Code Enforcement Division, working in partnership with the community, emphasizes education and outreach as a means to achieve community support and compliance. Enforcement efforts are utilized when voluntary compliance is not achieved.

Resource Changes

The Code Enforcement Division has historically felt the impact of General Fund shortfalls, which have resulted in a 57% reduction of Code Enforcement Inspectors in the General Code Program since 2000-2001. It should be noted that 91% of Code Enforcement's current inspection staff is supported by special funding sources (e.g., Multiple Housing, Solid Waste, CDBG, San José Redevelopment Agency). The number of General Fund Code Enforcement Inspector positions that do not have the area or service restrictions associated with the special funding sources is now 4.75 positions – down from 11.0 positions in 2000-2001. These reductions have necessitated that innovative strategies be explored in an effort to remain responsive to citizen complaints. Furthermore, the division has sought to explore alternative funding strategies and, where appropriate, create community-City partnerships to improve response times and service delivery efficiency.

To enhance service in response to identified community priorities, the addition of three Code Enforcement positions were approved in this budget. The first position, a Code Enforcement Inspector, will be utilized to reinstate the proactive Abandoned Shopping Cart Program. This position will be funded through a combination of Solid Waste Enforcement Fee (SWEF) and

Neighborhood Services CSA

Core Service: Community Code Enforcement *Planning, Building and Code Enforcement Department*

Performance and Resource Overview (Cont'd.)

Resource Changes (Cont'd.)

Administrative Citation revenue. The second position, also a Code Enforcement Inspector, was approved for the Multiple Housing Program and is funded by Residential Occupancy Permit fees. This Inspector will perform inspections, respond to tenant complains, and address housing code violations in apartments, hotels, motels, and other similar multiple-family structures and is needed to address the addition of 3,182 units to the multiple housing inventory since 2004-2005. Finally, with funding from the San José Redevelopment Agency, the addition of a Code Enforcement Supervisor and Senior Office Specialist were approved to support a citizen-City initiative entitled the "Blight Busters Program".

While these special funding sources provide the opportunity to enhance service in the aforementioned programs, the Code Enforcement Division will continue to focus its limited General Fund inspection resources on health and safety issues. The elimination of six General Code Enforcement Inspector positions over the past 5 years has necessitated the utilization of alternative enforcement techniques to address routine complaints in areas that do not have the benefit of special funding sources.

Based on the successful outcome of the collaborative Vehicle Abatement intra-CSA initiative, the Vehicle Abatement Unit has been transferred to the Transportation and Aviation CSA.

Community Outreach/Neighborhood Empowerment

The Code Enforcement Division recognizes the importance of utilizing the Strong Neighborhoods Initiative's (SNI) Neighborhood Advisory Committees (NACs) and established Neighborhood Associations in researching and responding to identified neighborhood priorities. The Division remains committed to reaching out to these organizations in forging empowerment opportunities.

In furtherance of the Code Enforcement Division's commitment to working in partnership with Strong Neighborhoods, as mentioned above, the Division has developed the Blight Busters Program, a new resident volunteer-City partnership opportunity. This program is patterned after the highly successful Vehicle Spotters Program, which was previously developed by the division. Residents interested in volunteering will be provided training in the identification of minor blight conditions that impact the quality of life in their neighborhoods.

The volunteer will report any alleged conditions observed on a log sheet and a warning notice will be sent to the property owner, advising them of the alleged violation, and providing a reasonable period of time to correct the condition. The volunteer will receive same day confirmation that a warning letter has been mailed to the property owner and the volunteer will be asked to report back, after the compliance date, on whether the violation has been corrected. If the violation has not been corrected, a field inspection will be conducted and an Administrative Citation will be issued.

Neighborhood Services CSA

Core Service: Community Code Enforcement

Planning, Building and Code Enforcement Department

Performance and Resource Overview (Cont'd.)

Community Outreach/Neighborhood Empowerment (Cont'd.)

The highly successful Driveway Team will support this proactive resident empowerment program and will be led by a dedicated Code Enforcement Supervisor funded by the San José Redevelopment Agency. The goal of this initiative is to empower and educate neighborhood residents, identify and develop citizen leaders, and eliminate blight. An increase in community outreach of 200 hours in 2006-2007 will help the Division reach this goal.

Code Enforcement staff continues to identify low-income residents who are eligible to receive funds from a Santa Clara Valley Water District grant, and notify them of this funding to assist them in complying with the minimum landscape provisions of the Community Preservation Ordinance. The grant provides up to \$2,000 per residence for the purchase of low water consumption plants and ground cover materials. To leverage this opportunity, Code Enforcement staff has solicited community volunteers, including youth groups, to provide labor for installation.

Code Enforcement has also developed a new initiative entitled the "Code Enforcement Assistance Project". This project provides up to sixty refuse bins, within the Norcal (garbage hauler) service area, to assist low income and disabled residents with the disposal of unwanted items that may be creating an unhealthy living condition. The bins are available as a result of Council's adoption of the Second Amendment to the Norcal Service Agreement. Code Enforcement augments this service with volunteer labor provided by Code Enforcement Division staff and the San José Youth Corps. As of May 1, 2006, twenty-two of these targeted clean-ups had occurred and were recently featured in a very positive news story entitled "Room to Breathe Thanks to Clean-Up," which highlighted Code Enforcement staff volunteer efforts to assist an elderly, disabled resident with the removal of over 60 yards of refuse from the resident's home and property.

General Code Enforcement/Housing Code Enforcement

In light of recent budget actions, resources have been redirected to focus on immediate health and safety complaints and conditions. The Code Enforcement Division remains committed to responding to immediate health and safety complaints within 24-72 hours. These requests for service include substandard housing conditions, sewage overflows, inadequate fencing around swimming pools, unpermitted building construction, and other similar conditions that pose an imminent threat to the health or safety of residents, tenants, and employees. While General Code Enforcement Program resources have been severely reduced, there has been no reduction in requests for service. The reduction in staff has resulted in the use of alternative enforcement techniques.

In a continued effort to improve responsiveness to resident complaints involving violations that do not pose an immediate threat to life and safety, the Code Enforcement Division has established an enhanced response model. This model will apply to minor blight issues that are subject to the Administrative Citation enforcement tool, including improper placement of garbage containers and

Neighborhood Services CSA

Core Service: Community Code Enforcement *Planning, Building and Code Enforcement Department*

Performance and Resource Overview (Cont'd.)

General Code Enforcement/Housing Code Enforcement (Cont'd.)

early yard waste set out, illegal signage, inadequate landscaping, inoperable vehicles, unpaved parking on private property, and trash in front yards.

When a request for service is received, a warning letter will be mailed to the alleged violator within one working day. This represents a 75% improvement in the response time to initial complaints over previous procedures. Ten days after the warning letter has been mailed, a Code Enforcement Inspector will perform a site inspection. If the violation is confirmed to exist, the responsible party will be given an Administrative Citation. This process would result in a 62% improvement in the time cycle between receipt of a complaint and a field inspection for minor blight issues. In addition, residents should see a more immediate response to their requests for service for basic blight violations.

Violations of Building, Housing and Zoning Codes are not subject to the Administrative Citation enforcement tool. Complaints received with regard to an alleged violation of one of these codes will continue to be addressed and receive inspection services based upon the priority of the case and the availability of field inspection resources. The percentage of violations resolved within estimated processing standards has improved from the 2005-2006 target of 55% to the 2005-2006 year-end estimate of 65% due to the filling of three Code Enforcement Inspector vacancies in the fall of 2005.

The Multiple Housing Occupancy Program remains 100% fee supported. This program requires that Code Enforcement staff conduct routine inspections of all apartments, hotels, motels and guesthouses on a six-year inspection cycle. In addition, the Code Enforcement Inspector responds to housing complaints within 24-72 hours.

Between 1999-2000 and 2005-2006, the Multiple Housing Inspection Program inventory has increased by 12,219 units due to new construction. In addition, it is projected that 1,500 units will be added to the inventory in 2006-2007 (to a total of 81,866 units). There has been no increase in inspection staff since 1999-2000. Due to program vacancies and an increase in the inventory of dwelling units from new construction, this program has only completed 85% of the current inspection cycle within the six-year target. In order to maintain the schedule of routine inspections and ensure compliance with decent, safe and sanitary housing for residents, one additional fee supported Code Enforcement Inspector position was approved.

The Residential Occupancy Permit fee has not been raised since 2004-2005. A proposed 7% (\$33.65/unit) increase to the permit fee will provide 100% cost recovery for this program and provide the resources to meet the program goal of inspecting every building in the permit inventory at least once every six years.

Neighborhood Services CSA

Core Service: Community Code Enforcement *Planning, Building and Code Enforcement Department*

Performance and Resource Overview (Cont'd.)

Proactive Code Enforcement

The Code Enforcement Driveway Team, which provides proactive code enforcement in SNI areas, will continue to receive funding from the San José Redevelopment Agency in 2006-2007. The Driveway Team was created to identify blight conditions in the Project Areas. During 2005-2006, the Team is estimated to complete neighborhood sweeps in all of the active SNI areas. These sweeps will encompass over 27,000 parcels and will result in the alleviation of an estimated 3,000 blight conditions.

The 2005-2006 Forecast for number of open and closed proactive Driveway Team cases (2,200 each) was forecast low as an Inspector had been on a long term medical leave. The Inspector was able to return to work sooner than anticipated which has increased the 2005-2006 estimate number of open and closed Driveway Team cases by approximately 59%.

In addition to identifying and addressing blight conditions, the Team has attended and actively participated in the Neighborhood Advisory Committee meetings, which enables the Team to stay focused on the priorities and needs of the neighborhood as they change. Over the long term, proactive code enforcement will help improve communication with the community, reduce violations, improve neighborhood appearance, and tailor enforcement services to the needs of the community. The Driveway Team will also provide primary support to the proactive Blight Buster Program as described in the Neighborhood Outreach/Community Empowerment Section.

A proactive Abandoned Cart Program was approved to be re-established for 2006-2007. Until 2002-2003, a Code Enforcement Inspector position was assigned to the Abandoned Cart Program but that program was discontinued after that year. In 2006-2007, a new Inspector position, funded through a combination of Program and Solid Waste Enforcement fees and administrative citation revenue, will work proactively with the owners of shopping carts to reduce the number of abandoned carts found in neighborhoods. The City has begun the process to discuss opportunities with store providers to develop changes to together to reduce the number of abandoned shopping carts in San José.

Code Enforcement's cost performance measure has been changed from "cost per case" for proactive and complaint-based enforcement to "cost per violation". Because cases can have from one to many violations and be relatively simple to very time consuming to get resolution, developing measures that reflected the cost of enforcement within each category was necessary. Proactive enforcement includes cyclical Multiple Housing Program inspections and targeted enforcement in SNI areas by the Driveway Team. Complaint-based enforcement includes General Code Enforcement responses to resident complaints. The difference in costs between these two enforcement approaches is in large part the result of the different complexities that are common to each. For example, the SNI Driveway Team, a proactive unit, will open a case to address a minor blight complaint, which may involve only one violation. On the other hand, an Inspector assigned to the General Code Program, in response to a citizen complaint, may also respond to one code

Neighborhood Services CSA

Core Service: Community Code Enforcement
Planning, Building and Code Enforcement Department

Performance and Resource Overview (Cont'd.)

Proactive Code Enforcement (Cont'd.)








violation, but the complaint may involve a complex land use or building code violation and take considerably more time and resources to resolve. For this reason it will be more useful to track changes over time for the cost of enforcement within each category rather than to compare the cost of the two different enforcement approaches.

Vehicle Abatement performance measures and activity information can now be found in the Transportation and Aviation CSA as the on-street vehicle abatement program has now been transferred to the Department of Transportation.

Neighborhood Services CSA

Core Service: Community Code Enforcement Planning, Building and Code Enforcement Department

Performance and Resource Overview (Cont'd.)

Community Code Enforcement Performance Summary	2004-2005 Actual	2005-2006 Target	2005-2006 Estimated	2006-2007 Target
 % of neighborhoods in "good" or better condition, based on a city-wide survey	675*	70%*	72%*	72%*
 % of violations resolved through voluntary compliance, based on complexity of case types	84%	85%	85%	85%
 Cost per violation for: - proactive enforcement - complaint-based enforcement	New Measure	\$170	\$168	\$175
 % of violations resolved within estimated processing standards, based on type and complexity of violations	58%	55%	65%	65%
 % of annual fee-based inspections completed on schedule, including multi-year programs	88%	100%	85%	88%
 % of residents who feel their neighborhood is in the same or better condition compared to previous year (annual Code Enforcement survey)	83%	83%	83%**	83%
 % of customers who feel they received courteous treatment and timely service from their interaction with Code Enforcement staff	83%	85%	83%**	85%

Changes to Performance Measures from 2005-2006 Adopted Budget: Yes¹

¹ Changes to Performance Measures from 2005-2006 Adopted Budget:

○ "Cost per case" measures were combined and revised to "Cost per violation." Cost per violation is a more accurate workload measure than cost per case as there can be multiple violations per case.

* Data for this measure comes from the Citywide Survey conducted by the City Manager's Office.

** Data for this measure comes from the May 2006 Code Enforcement Customer Service Survey.

Neighborhood Services CSA

Core Service: Community Code Enforcement Planning, Building and Code Enforcement Department

Performance and Resource Overview (Cont'd.)

Activity & Workload Highlights	2004-2005 Actual	2005-2006 Forecast	2005-2006 Estimated	2006-2007 Forecast
Staff hours devoted to outreach/education/prevention	5,200	5,200	5,240	5,400
Number of multiple housing dwelling units proactively inspected	9,959	11,500	10,800	12,000
Number of proactive parcel inspections (Driveway Team)	27,278	25,000	27,000	27,000
Number of proactive violations identified and resolved (Driveway Team)	2,962	2,750	3,000	3,000
Neighborhood Clean Ups	50	50	50	50
Public Right-Of-Way Clean Ups	20	20	20	20
Total Number of Clean Ups	70	70	70	70
Number of proactive cases (Driveway Team):				
Opened	3,429	2,200	3,500	3,500
Resolved	3,322	2,200	3,500	3,500
General Code Compliance Cases:				
Opened	10,476	9,000	10,000	10,000
Resolved	10,582	9,000	10,000	10,000
Multiple Housing Complaint Cases:				
Opened	512	500	500	500
Resolved	678	500	500	500
% of Violations Resolved:				
Warning	42%	48%	48%	64%
Citation	17%	10%	10%	10%
Compliance Order	40%	41%	41%	25%
Appeals Hearing Board/Litigation	1%	1%	1%	1%

Changes to Activity & Workload Highlights from 2005-2006 Adopted Budget: No

Neighborhood Services CSA

Core Service: Community Code Enforcement *Planning, Building and Code Enforcement Department*

Performance and Resource Overview (Cont'd.)

Community Code Enforcement* Resource Summary	2004-2005 Actual 1	2005-2006 Adopted 2	2006-2007 Forecast 3	2006-2007 Adopted 4	% Change (2 to 4)
Core Service Budget **					
Personal Services	\$ 7,441,414	\$ 7,995,092	\$ 8,110,576	\$ 8,448,090	5.7%
Non-Personal/Equipment	688,849	825,113	614,098	869,398	5.4%
Total	\$ 8,130,263	\$ 8,820,205	\$ 8,724,674	\$ 9,317,488	5.6%
Authorized Positions	88.05	88.25	80.53	84.53	(4.2%)

* Prior to 2006-2007, Community Code Enforcement Core Service appeared in Community and Economic Development City Service Area (formerly known as Economic and Neighborhood Services).

** The Resource Summary includes all operating allocations within the Department that contribute to the performance of this Core Service. Note that additional resources from City-Wide, Special Funds and/or Capital Funds may also contribute to Core Service performance, yet are displayed elsewhere in this budget.

Budget Changes By Core Service

Adopted Core Service Changes	Positions	All Funds (\$)	General Fund (\$)
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HEALTHY NEIGHBORHOODS AND CAPABLE COMMUNITIES

1. In-Source Vehicle Maintenance Activities (5,700) (5,700)

This action will bring more vehicle maintenance and repair services in-house, while producing savings to the City through a reduction to the contractual services budget. Contingent upon the filling of two Mechanic position vacancies, this reduction will result in a cost savings of \$272,500, of which \$220,725 is generated in the General Fund. As a result of using in-house Fleet Maintenance staff to troubleshoot and resolve mechanical problems, efficiencies should be gained as less fleet equipment will be transported to and from outside facilities; however, cycle times may rise during peak workload periods due to the reduction in the ability for Fleet Management to use contractual services for some major and complex repairs. The cost savings in the Planning, Building and Code Enforcement Department, Community Code Enforcement section is \$5,700. (Ongoing savings: \$5,700)

Performance Results:

Quality A higher quality of work on repairs that are completed should be realized as it will be easier to monitor in-house staff repairs than with a vendor. **Cycle Times** Cycle times for routine repairs are anticipated to decrease as a result of bringing more of them in-house. Cycle times for major and complex repairs could increase, however, as the reduction in the ability to use contractual services during peak workload periods may cause some non-public safety related repairs to be deferred.

Neighborhood Services CSA

Core Service: Community Code Enforcement
Planning, Building and Code Enforcement Department

Budget Changes By Core Service (Cont'd.)

Adopted Core Service Changes	Positions	All Funds (\$)	General Fund (\$)
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HEALTHY NEIGHBORHOODS AND CAPABLE COMMUNITIES (CONT'D.)

2. Blight Busters Program	2.00	189,982	189,982
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This action adds a Code Enforcement Supervisor and Senior Office Specialist and related non-personal/equipment for creation of the Blight Busters Program in Strong Neighborhoods Initiative (SNI) areas. The Program is a new resident-City partnership that is based on the highly successful Vehicle Spotters Program. This program will partner with the SNI Driveway Team to address neighborhood priorities and resolve quality of life (minor blighted) conditions through empowering interested and participating residents. All of the program's costs will be reimbursed by the San José Redevelopment Agency. (Ongoing costs: \$188,194)

Performance Results:

Customer Satisfaction/Cycle Time Enables the SNI Driveway Team to resolve 3,215 instances of blight annually in partnership with 100 Blight Buster volunteers and attend an additional 200 hours of neighborhood and community meetings.

3. Abandoned Shopping Cart Program	1.00	87,525	87,525
------------------------------------	------	--------	--------

This action adds a Code Enforcement Inspector position and related non-persona/equipment to renew the Abandoned Shopping Cart Enforcement Program. In 2002-2003, the enforcement element of a program that ensured stores with shopping carts were in compliance with their abandoned cart prevention plans was eliminated. These activities were spread among the remaining Code Inspectors. This has resulted in a steady increase in the number of complaints received by the City. Prior to its elimination, over two years, the program had reduced the number of abandoned carts collected from the public right-of-way by 61%. The additional costs of the program will be recovered from the Solid Waste Enforcement Fee and Administrative Citation program. (Ongoing costs: \$91,349)

Performance Results:

Quality/Customer Satisfaction Improves condition of neighborhoods by reducing the number of abandoned carts in the public right-of-way without necessitating fee increases to the Solid Waste Fee Program.

Neighborhood Services CSA

Core Service: Community Code Enforcement *Planning, Building and Code Enforcement Department*

Budget Changes By Core Service (Cont'd.)

Adopted Core Service Changes	Positions	All Funds (\$)	General Fund (\$)
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HEALTHY NEIGHBORHOODS AND CAPABLE COMMUNITIES (CONT'D.)

4. Solid Waste and Multiple Housing Fee Programs	1.00	72,007	72,007
--------------------------------------------------	------	--------	--------

This action adds a Code Enforcement Inspector position to the Multiple Housing Fee Program and reallocates portions of six positions (0.93 positions) from the General Fund to the Solid Waste Fee Program. These positions support the administrative, supervisory and clerical support functions of the fee program and will more accurately reflect the current funding split of department resources. Due to an increase in the number of multiple housing units requiring inspection (3,182 new units – up from 78,684 in 2004-2005), it has not been possible to inspect all units over a six year cycle with the current staffing of 11 inspectors. The inspection program provides enforcement of health and safety items to ensure decent, safe and sanitary housing conditions. All of these costs are fully supported by the Multiple Housing and Solid Waste Fee Program. (Ongoing costs: \$86,794)

Performance Results:

Quality/Customer Satisfaction Prevents deterioration of current service levels and will result in no fee increases from the reallocation of staff to the Solid Waste Fee program. **Cycle Time** The Code Inspector position will allow staff to continue to proactively inspect multiple housing units on a six year cycle.

5. Rebudgets: Database Conversion and Vehicles		249,000	249,000
------------------------------------------------	--	---------	---------

The rebudget of unexpended 2005-2006 funds will allow the Department to complete the purchase of seven vehicles (\$147,000) and conversion of the Multiple Housing database from a VAX-based platform to Oracle-based platform (\$102,000). (Ongoing costs: \$0)

Performance Results:

Quality/Customer Satisfaction N/A (Final Budget Modification)

2006-2007 Adopted Core Service Changes Total	4.00	592,814	592,814
----------------------------------------------	------	---------	---------

Neighborhood Services CSA

Core Service: Community Strengthening Services *Parks, Recreation and Neighborhood Services Department*

Core Service Purpose

Provide services that enable individuals and groups to exercise power and influence over their own lives and communities.

Key Operational Services:

- | | |
|--------------------------------------------------------------------|----------------------------------------------------------------------|
| <input type="checkbox"/> Community Development Block Grant | <input type="checkbox"/> Retired and Senior Volunteer Program |
| <input type="checkbox"/> Healthy Neighborhoods Venture Fund | <input type="checkbox"/> Senior Companion Program |
| <input type="checkbox"/> San José B.E.S.T. | <input type="checkbox"/> Adopt-A-Park |
| <input type="checkbox"/> Safe Schools Campus Initiative | <input type="checkbox"/> San José Beautiful |
| <input type="checkbox"/> San José After School Program | <input type="checkbox"/> Volunteer San José |

Performance and Resource Overview

Community Strengthening Services support community agencies, groups, and individuals to acquire the resources, develop skills, and seize opportunities to address the diverse needs of San José residents and work toward the maintenance and improvement of their neighborhoods and communities. In the spirit of the Parks, Recreation and Neighborhood Services Department (PRNS) vision, "*Communities of People Connected by Play, Hope and Joy in Life*," this core service actively involves the community in working towards the maintenance and improvement of their neighborhoods, and supporting diverse communities that make up the City of San José. This core service contributes to two outcomes in the Neighborhood Services CSA: *Vibrant, Cultural, Learning and Leisure Opportunities* and *Healthy Neighborhoods and Capable Communities*.

Grants Unit

The PRNS Grants Unit is functioning well as it moves toward consolidation and consistency of award processes and evaluations, contract negotiations and oversight requirements, and focusing resources to support community needs and core services. This core service assisted in the distribution of City funds in 2005-2006 from the Healthy Neighborhoods Venture Fund (HNVF), Community Development Block Grant (CDBG), San José Bringing Everyone's Strengths Together (BEST), San José After School Program (SJAS), and other City grant programs. HNMF administered approximately \$8.8 million, including programs related to education, seniors, and tobacco-free activities. CDBG administered approximately \$16.4 million in Contractual Community Services (CCS) and Community Development Improvements (CDI), including fair housing, housing rehabilitation loans, other housing improvements, economic development, capital projects, planning studies, and code enforcement operations. HNMF and CDBG programs are discussed in the Selected Special Funds Summary section of this document in more depth. Two additional Analyst positions to support the HNMF process are included in this budget. The positions will enable the

Neighborhood Services CSA

Core Service: Community Strengthening Services *Parks, Recreation and Neighborhood Services Department*

Performance and Resource Overview (Cont'd.)

Grants Unit (Cont'd.)

program to meet the new monitoring and agreement procedures required by the HNVF Steering Committee and approved by the City Council. Also approved was \$100,000 from the General Fund for an outside evaluation of HNVF. The City Manager was also directed to strengthen the evaluation of grant recipients for the HNVF grant process and work with the HNVF Advisory Committee to develop an outside assessment similar to the Bringing Everybody's Strengths Together (BEST) model. The City Council also approved approximately \$3.0 million in Cycle XV funding to BEST eligible service providers, consistent with the directives of the Mayor's Gang Prevention Task Force (MGPTF) Strategic Work Plan, "Reclaiming Our Youth."

Of particular note for 2006-2007 was the decrease in the City's CDBG entitlement, down approximately 9% from \$11.5 million in 2005-2006 to \$10.3 million in 2006-2007. The 2006-2007 funding recommendations developed by the CDBG Steering Committee and approved by the City Council in June are included in this document and reflect using \$1.3 million estimated from 2005-2006 program income as well as over \$2.0 million from fund balance to support Community Development Improvement (CDI) placed projects. These actions were the result of a Committee process that included recommendations for second-year funding of a two-year funding cycle for the Contract Community Services category and third year placement funding of a three-year funding cycle for the CDI category. Additional discussion regarding the services delivered by CDBG funds is included in the Selected Special Funds Summary section of this document.

Over the past year, Congress has been considering restructuring the CDBG program, reducing its funding, and changing federal formula allocations. This budget transfers the administration of the CDBG programs and eight administrative positions to the Housing Department in order to strengthen staff's ability to gather information and respond quickly to events in Washington D.C. that impact local funding. Economies of scale and efficiencies of operation will be enhanced and policies made more consistent through having all of the CDBG functions and opportunities administered by a single department.

Safe Schools Campus Initiative

The Safe Schools Campus Initiative (SSCI) is intended to ensure an appropriate response to conflict that may occur at school sites. Based on prior service activity levels, the 2006-2007 service delivery staffing levels will maintain current programming. Included in this budget was approval to add a Recreation Superintendent and a Recreation Supervisor position, and delete a Youth Outreach Worker. This staffing complement will strengthen the management and operation of all of the Youth Intervention Services (YIS) Programs. The two new positions will ensure consistent policy application and oversight of all YIS programs including Safe School Campus Initiative (SSCI), Striving Toward Achievement with New Direction (STAND), and Clean Slate programs. PRNS expects an increase in effectiveness and efficiency of these programs as a result of the consolidated leadership and management.

Neighborhood Services CSA

Core Service: Community Strengthening Services *Parks, Recreation and Neighborhood Services Department*

Performance and Resource Overview (Cont'd.)

San José After School Program

The San José After School (SJAS) program is a consolidated provision of after school services funded by Healthy Neighborhood Venture Fund, the General Fund, and State and federal grants with an overarching mission to "Provide opportunities for personal and academic growth through safe, fun and enriching out-of-school time services to San José children and youth". These services are provided throughout the City through a broad network of City, schools and community based organizations partnerships. The SJAS operated 235 sites throughout the City of San José with a budget of \$8.5 million. Of these sites, 126 were located at elementary schools, 29 at middle schools, 22 at high schools, 11 at libraries, and 47 at community based organization (CBO) sites.

Local school districts will have the ability to access the State of California Proposition 49 and proposed Senate Bill 638 (SB 638) funding scheduled to be distributed for the start of the school year. Proposition 49 funds will provide a minimum of \$50,000 (estimated to be \$112,000 with the SB 638 amendment) to every public elementary school, and a minimum of \$75,000 (estimated to be \$150,000 with the SB 638 amendment) to every public middle school in the State of California. If every elementary and middle school in the City applies, local schools could access more than \$7 million for after school programs. The State has not yet finalized the application process for Proposition 49. When that occurs, SJAS will bring actions to the City Council for approval. These actions are expected to be brought forward in the fall. The City's role may be the Administrative and Fiscal Agent for a consortium of school districts (as the current San José After School system is), or schools may administer the funds directly.

Senior Programs

Senior program resources were not reduced in this budget; Retired Senior Volunteer Program (RSVP) and Senior Companion Program (SCP) as well as the Office of Aging (OOA) services will be fully retained at the current service levels, and the Senior Nutrition Program will be fully funded. The portion of these senior programs budgeted in this core service is funded by Healthy Neighborhoods Venture Fund and Municipal Health Services Program Fund. Funding for some of these senior programs also appear in the PRNS Department, Life Enjoyment Services Core Service.

San José Beautiful

In 2005-2006, San José Beautiful incurred a one-time reduction in grant funding of \$20,000. For 2006-2007, this reduction was made ongoing as the program has been able to maintain core services despite the reduction.








Neighborhood Services CSA

Core Service: Community Strengthening Services *Parks, Recreation and Neighborhood Services Department*

Performance and Resource Overview (Cont'd.)

PRNS Contract Management

This budget adds a Senior Analyst to the Administration Division position in Strategic Support and eliminates an Analyst position from the Community Strengthening Services Core Service who was assigned to the employee services and contract management section of the division. The Senior Analyst will provide general oversight of contracts and ensure consistency in the development, negotiation, and implementation of contracts. The position will manage approximately 300 departmental contracts (excluding CDBG, HNVF, San José BEST and San José After School, which are managed by the respective grant units). The performance measure “% of all contracts executed within 60 days of award decision” has a 2005-2006 target of 84%; however, this performance in this category was estimated to be only 22% as a result of staff not being able to dedicate a majority of their time to the execution of the CDBG and HNVF contracts. The measure assumes one Analyst can process 21 contracts within the 60 days working approximately 15 hours per contract without interruption. Both the CDBG and HNVF staff were limited to roughly 25% dedication to the execution of the contracts as a result of competing priorities such as relocating to City Hall, preparation of the HUD CAPER report, other unanticipated activities and vacancies. The target for 2006-2007 is set at 75% thus allowing for staffing vacancies while keeping the target aggressive.

Community Strengthening Services Performance Summary	2004-2005 Actual	2005-2006 Target	2005-2006 Estimated	2006-2007 Target
 % of park sites with active volunteer groups	96%	96%	96%	96%
 % of youth customers experiencing change for the better due to youth services programs	78%	65%	65%	65%
 % of all contracts executed within 60 days of award decision	50%	84%	22%	75%
 % of high school/community crisis incidents responded to within 30 minutes	100%	100%	100%	100%
 % of school conflicts resolved with re-establishment of safe learning environment within two weeks	100%	95%	95%	95%
 % of all customers surveyed rating services good or better	89%	85%	88%	90%
 % of Safe Schools Campus Initiative schools clients rating City efforts at keeping schools safe as good or excellent	85%	90%	90%	90%

Changes to Performance Measures from 2005-2006 Adopted Budget: No

Neighborhood Services CSA

Core Service: Community Strengthening Services Parks, Recreation and Neighborhood Services Department

Performance and Resource Overview (Cont'd.)

Activity & Workload Highlights	2004-2005 Actual	2005-2006 Forecast	2005-2006 Estimated	2006-2007 Forecast
Number of park sites adopted with active volunteer groups	152	151	164	164
Number of contracts executed within 60 days of award decision	56	107	30	65
Number of school conflicts resolved with re-establishment of safe learning environment within two weeks	623	648	435	435
Number of customers surveyed rating services good or better*	5,550	7,837	4,535	5,105
Number of Safe Schools Campus Initiative customers rating City efforts at keeping schools safe as good or excellent	115	108	119	119
Number of youth customers experiencing change for the better due to youth services* programs	3,578	2,500	2,982	2,982

Changes to Activity & Workload Highlights from 2005-2006 Adopted Budget: No

* The 2005-2006 Forecast was developed prior to a change in the way the data was collected and reported. The estimates provided for 2005-2006 reflect this new methodology.

Community Strengthening Services Resource Summary	2004-2005 Actual 1	2005-2006 Adopted 2	2006-2007 Forecast 3	2006-2007 Adopted 4	% Change (2 to 4)
Core Service Budget *					
Personal Services	\$ 6,459,128	\$ 4,895,126	\$ 5,174,485	\$ 4,495,858	(8.2%)
Non-Personal/Equipment	1,169,285	1,088,280	1,245,223	996,321	(8.4%)
Total	\$ 7,628,413	\$ 5,983,406	\$ 6,419,708	\$ 5,492,179	(8.2%)
Authorized Positions	85.55	68.27	70.45	64.45	(5.6%)

* The Resource Summary includes all operating allocations within the Department that contribute to the performance of this Core Service. Note that additional resources from City-Wide, Special Funds and/or Capital Funds may also contribute to Core Service performance, yet are displayed elsewhere in this budget.

Neighborhood Services CSA

Core Service: Community Strengthening Services *Parks, Recreation and Neighborhood Services Department*

Budget Changes By Core Service

Adopted Core Service Changes	Positions	All Funds (\$)	General Fund (\$)
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HEALTHY NEIGHBORHOODS AND CAPABLE COMMUNITIES

1. Community Development Block Grant Fund Administration Transfer	(8.00)	(1,068,788)	(1,000)
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This action transfers administration of the Community Development Block Grant (CDBG) program from the Parks, Recreation and Neighborhood Services Department (PRNS) to the Housing Department. The transfer will result in consolidating administration of all the City's housing and community development entitlement programs within one department, therefore improving administration of the program, eliminating redundancy, and allowing for one point of contact with the Department of Housing and Urban Development. One net position was added and as a result of the efficiencies created, a net savings of \$94,903 was realized (\$62,320 of savings in the CDBG Fund, \$31,583 of savings in the Low and Moderate Income Housing Fund, and \$1,000 of savings in the General Fund) and will be made available for program funding. The following transactions are approved as part of this action:

- Eight positions (1.0 Principal Office Specialist, 1.0 Staff Specialist, 5.0 Analysts and 1.0 Sr. Analyst) in the Community Strengthening Services Core Service in PRNS were transferred to the Housing Department – Strategic Support.
- The Housing Department will add a Housing Policy and Plan Administrator position, as displayed in the Strategic Support section of this document to oversee the day to day operations of the CDBG Program as well as shifting a portion of a Senior Development Officer, an Assistant Director and a Division Manager from the Low and Moderate Income Housing Fund to help manage the program.
- In the 2006-2007 Forecast Base Budget (as displayed elsewhere in this document), in order to align the work performed with the budget, portions of 2.30 PRNS's administrative positions in the Community Strengthening Services Core Service were shifted from the CDBG Fund to various funds. A net 0.60 positions were shifted to the General Fund which was offset by a reduction in non-personal/equipment funding, 1.1 positions were shifted to capital funds, 0.35 positions were shifted to the Healthy Neighborhoods Venture Fund, and 0.25 positions were shifted to various city-wide appropriations.

(Ongoing savings: \$1,068,788)

Performance Results:

Quality: Consolidation of the City's Housing and Urban Development (HUD) funds in one department will improve efficiency in reporting to HUD, including the preparation of the annual Consolidated Action Plan and the Consolidated Annual Plan Evaluation Report, as well as facilitating the standardization of grant management processes.

Neighborhood Services CSA

Core Service: Community Strengthening Services *Parks, Recreation and Neighborhood Services Department*

Budget Changes By Core Service (Cont'd.)

Adopted Core Service Changes	Positions	All Funds (\$)	General Fund (\$)
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HEALTHY NEIGHBORHOODS AND CAPABLE COMMUNITIES (CONT'D.)

2. San José Beautiful Awards Program		(20,000)	(20,000)
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This action reduces the program's ongoing funding for neighborhood beautification grants and non-personal/equipment funding from \$97,000 to \$77,000. As a result, this action makes permanent the current service levels. Minimal program impact is expected. (Ongoing savings: \$20,000)

Performance Results:

No changes to current service levels are anticipated.

3. PRNS Reorganization		(8,677)	(8,677)
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Given the recent departure of three Deputy Director incumbents, PRNS examined its staffing levels and developed a new structure that will achieve a consolidated management approach. This action implements a reorganization plan through the addition of key positions and the elimination of positions that have been vacant for some time. These positions are spread throughout the various core services. Salary savings and non-personal/equipment funding were used to offset any additional costs from these staffing changes. (Ongoing savings: \$3,207)

- The newly created Community and Resource Development Division will add a Recreation Superintendent in the Life Enjoyment Services Core Service, and add a Recreation Supervisor in the Community Strengthening Services Core Service, and delete a Youth Outreach Worker from the Life Enjoyment Services Core Service that was assigned to the Striving Toward Achievement with New Direction (STAND) Program. The Recreation Superintendent will oversee youth intervention programs as well as manage the revenue generating/enterprise programs (e.g. Aquatics Program, Sports Program, Family Camp), and civic engagement and volunteer programs (e.g. Adopt-A-Park, Anti-Litter/Anti-Graffiti Program). The Recreation Supervisor will assist the Recreation Superintendent with the management of the Mayor's Gang Prevention Task Force, and will directly supervise the youth intervention programs.
- The Administration Division will add a Senior Analyst position in Strategic Support and will eliminate an Analyst position from the Community Strengthening Services Core Service who was assigned to the employee services and contract management section of the division. The Senior Analyst will provide general oversight of contracts and ensure consistency in the development, negotiation, and implementation of contracts. The position will manage approximately 300 departmental contracts (excluding CDBG, Healthy Neighborhoods Venture Fund, San José Bringing Everyone's Strengths Together and San José After School which are managed by the respective grant units).
- In Strategic Support, this action shifts funding from the General Fund (0.04 of two full-time Analyst positions) to capital funds to better align staffing costs with the capital activities performed.
- Eliminates a Therapeutic Specialist from the Life Enjoyment Core Service that was assigned to the Marketing and Special Events Unit supporting the Citywide Activity Guide. These duties have been absorbed by existing staff.

Neighborhood Services CSA

Core Service: Community Strengthening Services
Parks, Recreation and Neighborhood Services Department

Budget Changes By Core Service (Cont'd.)

Adopted Core Service Changes	Positions	All Funds (\$)	General Fund (\$)
HEALTHY NEIGHBORHOODS AND CAPABLE COMMUNITIES (CONT'D.)			
3. PRNS Reorganization (Cont'd.)			
Performance Results:			
Customer Satisfaction: Improved management oversight of the Youth Intervention Programs and centralized departmental approach to revenue generation and community participation. Contract development and oversight will be more consistent and timely.			
4. Healthy Neighborhoods Venture Fund Administrative Staffing	2.00	169,936	0
This action adds two Analyst positions to increase the level of accountability and management over Healthy Neighborhood Venture Fund grants. It is anticipated that with this addition, staff will be able to negotiate, process, and execute contracts faster. (Ongoing costs: \$181,484)			
Performance Results: N/A (Final Budget Modification)			
2006-2007 Adopted Core Service Changes Total	(6.00)	(927,529)	(29,677)

Neighborhood Services CSA

Core Service: Increase the Affordable Housing Supply

Housing Department

Core Service Purpose

Provide funding and technical assistance for the creation of new affordable housing and homebuyer assistance.

Key Operational Services:

☐ **Make Loans to Developers**

☐ **Provide Homebuyer Assistance**

Performance and Resource Overview

This core service increases the supply of affordable housing by funding the construction of new housing units and by improving homeownership opportunities for San José residents. In the construction program, low-interest gap loans are provided to housing developers for the construction of rental housing projects that are affordable to households with extremely low- to low-incomes. The homeownership program, which includes the Teacher Homebuyer Program, provides assistance by providing down payment assistance and second mortgages as well as working in partnership with a number of organizations to serve San José residents seeking homeownership opportunities. Prior to 2006-2007, the Increase the Affordable Housing Supply Core Service appeared in the Economic and Neighborhood Development City Service Area (now known as the Community and Economic Development City Service Area). In 2006-2007, this core service moves to the Neighborhood Services City Service Area and contributes to the outcome: *Diverse Range of Housing Opportunities*.








The City is on target to exceed the goal of producing 10,000 affordable housing units (under construction and completed) in the eight-year period from 1999 through 2006. In his January 2006 State of the City address, the Mayor announced a new goal of adding 1,200 affordable units a year, with a commitment that 300 of those will be affordable to extremely low-income families. The City will continue to explore innovative funding in the pursuit of this goal. The Department expects to utilize up to \$40 million to finance the construction of over 520 new affordable housing units in 2006-2007.

The Teacher Homebuyer Program (THP) celebrated its 500th teacher loan in January 2006. In 2005-2006, the City Council approved amending the guidelines for THP to allow loans of up to \$65,000 in order to respond to escalating home prices. The Housing Department will continue to fund the program with \$4 million annually, providing for approximately 70 loans. In addition, the City has launched a pilot program with San José State University to provide homebuyer loans to tenure-track teachers to purchase their first homes. Operating under guidelines similar to the THP, the pilot program will provide loans of up to \$60,000. Funding for the pilot is \$1 million, half of which will come from 20% Redevelopment Tax Increment Revenue and half from the University.

Neighborhood Services CSA

Core Service: Increase the Affordable Housing Supply Housing Department

Performance and Resource Overview (Cont'd.)

Increase the Affordable Housing Supply Performance Summary	2004-2005 Actual	2005-2006 Target	2005-2006 Estimated	2006-2007 Target
 % of cumulative target achieved toward 1999-2006 affordable housing production goal	N/A ¹	100% (9,375)	121% (11,346)	100% (10,000) ²
 % of annual Teacher Homebuyer Loans target achieved	56% (56)	100% (100)	58% ³ (58)	100% (70)
 Cumulative ratio of non-City funds to City funds in 2002-2007 New Construction Program	2.4:1	3.0:1	2.6:1	3.0:1
 % of Teacher homebuyer loans funded within 15 days of receipt of complete loan application package	98%	95%	100%	95%
 % of new construction units completing construction within 36 months of initial City funding commitment	89%	90%	66% ⁴	90%
 % of homebuyer clients (approved or denied) satisfied or very satisfied with the programs based on overall service	100%	90%	90%	90%
 % of developers satisfied or very satisfied with the Department based on timeliness in processing financing	N/A	100%	N/A ⁵	100%

Changes to Performance Measures from 2005-2006 Adopted Budget: No

1. New measure for 2005-2006
2. 10,000 unit target from 1/1/99 to 12/31/06
3. The target is not anticipated to be met for 2005-2006 due to extremely high-cost housing which requires an increased per unit subsidies
4. A significant number of units in one project were delayed due to project negotiations
5. Survey data expected to be available at close of fiscal year.

Activity & Workload Highlights	2004-2005 Actual	2005-2006 Forecast	2005-2006 Estimated	2006-2007 Forecast
Number of teacher homebuyers assisted	56	100	58	70
Number of other homebuyers assisted	48	113	75	113
Number of total homebuyers assisted	104	213	148	183
Number of affordable housing units completed or under construction since 1/1/1999				
Annual	699	486	3,840	619
Cumulative	7,506 ¹	9,375	11,346 ²	11,965 ²
Average per-unit subsidy in funding commitments for new construction projects (\$)	66,900	65,000	65,312	71,400

Changes to Activity & Workload Highlights from 2005-2006 Adopted Budget: No

1. FY 04-05 data represents completions only.
2. Estimates and forecasts include projects under construction and 897 previously completed preservation units.

Neighborhood Services CSA

Core Service: Increase the Affordable Housing Supply *Housing Department*

Performance and Resource Overview (Cont'd.)

Increase the Affordable Housing Supply* Resource Summary	2004-2005 Actual 1	2005-2006 Adopted 2	2006-2007 Forecast 3	2006-2007 Adopted 4	% Change (2 to 4)
Core Service Budget **					
Personal Services	\$ 875,040	\$ 1,010,490	\$ 1,143,403	\$ 1,143,403	13.2%
Non-Personal/Equipment	54,233	164,409	149,227	149,227	(9.2%)
Total	\$ 929,273	\$ 1,174,899	\$ 1,292,630	\$ 1,292,630	10.0%
Authorized Positions	9.20	9.20	9.35	9.35	1.6%

* Prior to 2006-2007, the Increase the Affordable Housing Supply Core Service appeared in the Economic and Neighborhood Development City Service Area (now known as the Community and Economic Development City Service Area).

** The Resource Summary includes all operating allocations within the Department that contribute to the performance of this Core Service. Note that additional resources from City-Wide, Special Funds and/or Capital Funds may also contribute to Core Service performance, yet are displayed elsewhere in this budget.

Budget Changes By Core Service

Adopted Core Service Changes	Positions	All Funds (\$)	General Fund (\$)
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NONE

Neighborhood Services CSA

Core Service: Life Enjoyment Services
Parks, Recreation and Neighborhood Services Department

Core Service Purpose

To provide opportunities for City residents to play, learn, socialize and receive supportive assistance to live healthy and enriched lifestyles.

Key Operational Services:

- | | |
|--------------------------------------------------------------------------|-----------------------------------------------------------------------|
| <input type="checkbox"/> Community, Youth and Senior Centers | <input type="checkbox"/> Gang Intervention |
| <input type="checkbox"/> Aging and Therapeutic/Inclusion Services | <input type="checkbox"/> Tattoo Removal |
| <input type="checkbox"/> Community Garden Program | <input type="checkbox"/> Regional Parks and Special Facilities |
| <input type="checkbox"/> San José After School | <input type="checkbox"/> Park Ranger Services |
| | <input type="checkbox"/> Municipal Health Services |

Performance and Resource Overview

This core service contributes to the following Neighborhood Services CSA outcomes: *Vibrant Cultural, Learning, and Leisure Opportunities, Healthy Neighborhoods and Capable Communities, and Safe, and Clean Parks, Facilities and Attractions.* This core service is committed to providing a broad spectrum of life enjoyment services that contributes towards the social, physical, educational, and enrichment needs of San José residents and visitors. Access, frequency, diversity, inclusion and choice are all values that this core service strives to reach. These values are applied to equalize access across all parts of the City and to all types of customers. The following are key core goals of Life Enjoyment Services: enrichment, physical fitness, physical and social independence, participation in special events, enjoyment of the City's regional park system, and personal development skills.

For 2006-2007, staff closely examined those programs essential to the core service, searching for creative ways to maintain current services or at least minimize the programmatic impacts of reductions. Where appropriate, revenue opportunities were reviewed to increase the cost recovery level of specific programs. Staff also sought to determine which programs were not essential and identify them as stronger candidates for elimination and/or reduction. This approach continues to guide the strategic planning process.

Recreational Facilities

In November 2000, San José voters approved a \$228 million bond measure for park and recreational facility improvements. Staff anticipates the amounts of square footage to be managed by the Department will more than double by 2010 as a result of the bond measure. While the Parks and Recreation Bond projects are a much-needed investment in infrastructure, the inability to use bond funds to support operational costs has created tension between a growing inventory of facilities and

Neighborhood Services CSA

Core Service: Life Enjoyment Services

Parks, Recreation and Neighborhood Services Department

Performance and Resource Overview (Cont'd.)

Recreational Facilities (Cont'd.)

an operational budget that has suffered an almost 25% reduction over the past four years. Consequently, the Department has been challenged with the need to create an alternative service delivery model that will leverage the capital investment in new facilities, reduce on-going operational costs and to the extent economically feasible, retain access to priority community services through its neighborhood and satellite community centers.

With these objectives in mind, the Department previously presented to the City Council in May 2005 a "Facility Re-Use Strategy." The original strategy proposed an evaluation of the feasibility of alternative operations for 32 select neighborhood and satellite facilities. The Facility Re-use Strategy is intended to leverage the bond measure approved by voters in 2000 by consolidating City operations into larger, more efficient facilities (Multi-Service Delivery System) and reduce the City's on-going operational expenses by identifying alternative providers qualified and interested in assuming operational responsibility of select neighborhood and satellite community center facilities. Per Council action at a December 13, 2005 City Council meeting, a separate re-use process was established for the Northside Community Center. On June 6, 2006 the Department presented to the City Council, a "Follow-up to Facility Re-Use Request for Qualifications (RFQ) Process" report. The City Council adopted various funding actions to continue operations at 22 community centers, neighborhood centers, and youth centers for an additional year, and directed staff to (1) conduct additional neighborhood specific outreach meetings, including a Council Study session following the community process, and revising the RFQ process for Facility Re-Use given the input obtained through the community process; (2) explore the feasibility of revising the Healthy Neighborhoods Venture Fund (HNVF) and other major grant programs to follow a San José BEST model or other best practices, beginning in July 2008 for the 2008-2009 cycle, to include reuse; (3) take that discussion to the HNVF Committee, who would make recommendations to City Council to include BEST or any other best practices that staff deems appropriate; and (4) recruit child care providers that want to be considered for reusing community centers as Smart Start centers if no service providers are available to continue other programs. Additionally, positions have been added to support the new and expanded Almaden and Camden Community Centers. The additional staff will allow greater public access and use of these expanded and new facilities.

The performance measure "% of participants rating overall satisfaction with services as good or better" is estimated to be 7% higher than the 2005-2006 forecast of 75%. This measure is a composite of the Department's programs provided at the Community Centers, Parks, Work Experience Program, STAND and Clean Slate Program. The Community Center programming anticipates customers to be very satisfied with the new and modern facilities (Camden and Almaden). The performance target in 2006-2007 is 80%, down by 2% from the estimate for 2005-2006.

Neighborhood Services CSA

Core Service: Life Enjoyment Services *Parks, Recreation and Neighborhood Services Department*

Performance and Resource Overview (Cont'd.)

Revenue

Fee increases for programs and services, as well as various fee increases related to regional parks, fees for field, and non-resident fees are summarized in the General Fund Revenue Estimates section found elsewhere in this document, and described in detail in the 2006-2007 Fees and Charges Report that was released in May 2006. For 2006-2007, the following fee increases were approved: various fees related to parks usage (\$16,750) and facility rentals (\$50,250); an increase in fee activity revenue partially due to several new parks and recreation facilities that will be coming on-line (\$37,500); and other miscellaneous fee increases (\$7,500). These fee changes are expected to bring an additional \$112,000 for the General Fund.

In the Mayor's June 2006 Budget Message, the Young People's Theater Program was approved to be set at 75% cost recovery level in 2006-2007 as it was unable to achieve 100% cost recovery level in 2005-2006. As a result of this action, the General Fund will receive an estimated \$35,000 less in revenue. This change will allow the theater program more flexibility to continue its programming, support its progress to self-sufficiency, and encourage strong volunteer support from parents.

Senior and Youth Programs

The Office of Aging will continue to support the Municipal Health Services Program, Retired Senior and Volunteer Program, Senior Nutrition Program and Senior Companion Program which are all either fully grant funded or partially supported by a grant. A portion of the senior programs in this core service are funded by the General Fund and Healthy Neighborhoods Venture Fund. Funding for some of these senior programs also appear in the PRNS Department, Community Strengthening Core Service. The General Fund will continue to provide matching funds where appropriate. No position or function active in the delivery of senior services was approved to be reduced in this budget. In the Mayor's June 2006 Budget Message memorandum, \$86,089 from the General Fund was approved for the Addressing the Gaps in Aging Services, Nutrition Services project. This project was initially recommended to be reduced by 12% from the previous year's funding level but with the additional General Fund funding, the current service levels will be maintained. The performance measure "% of senior participants reporting that services made a positive difference in their lives" estimated to be 72% is 13% lower than the 2005-2006 target of 85%. Resources in 2006-2007 will be focused on revamping the Community Center Surveys to better capture customer feedback and clarify the language. The 2006-2007 target will be adjusted to 75% in the interim while the survey questions are revised.

Gang Intervention and Prevention programs continue to be a priority for this core service. For 2006-2007, Striving Towards Achievement with New Direction (STAND) will continue to provide weekly classes offering assessments, case management and life skills training regarding positive choices and consequences. Program positions that have been held vacant over the past two years were approved for elimination in 2006-2007. This will result in a net reduction of 2.26 positions, and was consistent with City Council direction of reducing vacant positions. The current

Neighborhood Services CSA

Core Service: Life Enjoyment Services *Parks, Recreation and Neighborhood Services Department*

Performance and Resource Overview (Cont'd.)

Senior and Youth Programs (Cont'd.)

performance levels will not be impacted by this reduction. Included in this budget was approval to create a Recreation Superintendent and a Recreation Supervisor position, and delete a Youth Outreach Worker. This staffing complement will strengthen the management and operation of all of the Youth Intervention Services (YIS) Programs. The two new positions will ensure consistent policy application and oversight of all YIS programs including Safe School Campus Initiative (SSCI), STAND, and Clean Slate programs. PRNS expects an increase in effectiveness and efficiency of these programs as a result of the consolidated leadership and management.

Sports and Aquatics Programs

The City-wide Sports and Aquatics programs provide year-round opportunities such as basketball, recreation swim, swim lessons, soccer and softball to all ages.

For 2006-2007, no reduction in funding was approved for the city-wide Aquatics program. The current level of funding enable operation of four sites during the 2006 Summer Season. The four sites to be operated will include 2 City-owned pools (Camden and Fair) and two leased school sites (Peter Burnett Middle School and James Lick High School). The two leased sites were selected in an effort to maximize the geographic distribution of pools across the City and to facilitate access for some of the residents impacted by the closure of Ryland and Mayfair pools pending the completion of the Aquatics Master Plan. The remaining budget will be used to support transportation and programming for residents affected by the closure of Biebrach and Alviso pools.

Included in this budget were reductions to the city-wide Adult Sports Program which serves approximately 7,100 participants per year. Non-personal/equipment funding of \$15,000 will be eliminated as well as the associated personal services funding (0.13 Recreation Leader PT, and 1.68 Sr. Recreation Leader PT (1.50 filled). The part-time recreation leader hours were used to provide scorekeeping services during softball games. This level of service was higher than neighboring jurisdictions. Also, 1.0 vacant Office Specialist position will be decreased to 0.5 Office Specialist PT. This position once provided general support for program staff. While this reduction will require a re-distribution of workload, it is anticipated that these actions should still maintain the financial viability of the programs without a significant disruption to ongoing programming.

Regional Parks

2005-2006 was the first year of a reduced level of maintenance in the City's regional park system. Maintenance is now occurring six days a week rather than seven days a week as was performed through 2004-2005. Park restrooms continue to be open daily, including the day that park maintenance staff is not scheduled to work. Aside from reduced maintenance, the turf irrigation budget was also reduced in 2005-2006. This action has resulted in drier, browner turf conditions

Neighborhood Services CSA

Core Service: Life Enjoyment Services *Parks, Recreation and Neighborhood Services Department*

Performance and Resource Overview (Cont'd.)

Regional Parks (Cont'd.)

throughout the regional park system. The performance measure “% of customers rating regional parks and facilities’ overall maintenance good or better based on attractiveness and usability” has a 2005-2006 target of 60% but it is estimated to be at 70%. Six days of maintenance and reduced turf irrigation at regional parks will continue at the same level in 2006-2007.






In 2005-2006, \$128,000 in one-time funding was allocated to temporarily augment maintenance services for the Police Activities League (PAL) complex. This funding allowed the temporary mitigation of maintenance cuts that were to result from the elimination of two dedicated PAL maintenance staff as part of the 2005-2006 Adopted Budget. Not all of the one-time funding was expended in 2005-2006 and the balance of the \$128,000 was rebudgeted to 2006-2007 (action displayed in the City-Wide Expenses section of this document). By combining this balance with the \$115,906 allocated in the Mayor’s June Budget Message, staff will be dedicated to the complex rather than having the site maintained on a route basis as previously approved.

Regional Parks will receive an additional \$888,814 and 12.99 positions to support maintenance and operations costs for additional facility elements/sites becoming operational in 2006-2007 as part of this budget. Expansions at Emma Prusch Farm Park, Guadalupe River Park and Gardens plus maintenance of the new Lake Cunningham perimeter landscaping are among the projects being approved for funding. This funding is sufficient to retain the current maintenance activity levels described above. A vacant Equipment Operator position will be eliminated in 2006-2007. Minimal impact is expected from this elimination since the mowing routes for parks have been redistributed to cover for the reduced staffing levels.

Neighborhood Services CSA

Core Service: Life Enjoyment Services Parks, Recreation and Neighborhood Services Department

Performance and Resource Overview (Cont'd.)

Life Enjoyment Services Performance Summary	2004-2005 Actual	2005-2006 Target	2005-2006 Estimated	2006-2007 Target
 % of senior participants reporting that services made a positive difference in their lives	73%	85%	72%	75%
 % of after school participants reporting that services made a positive difference in their lives	78%	75%	74%	75%
 % of participants rating overall satisfaction with services as good or better	71%	75%	82%	80%
 % of customers who are repeat or returning customers	47%	60%	65%	65%
 % of customers rating regional parks and facilities' overall maintenance good or better based on attractiveness and usability	75%	60%	70%	70%

Changes to Performance Measures from 2005-2006 Adopted Budget: No

Activity & Workload Highlights	2004-2005 Actual	2005-2006 Forecast	2005-2006 Estimated	2006-2007 Forecast
Number of participant surveys completed with a rating of good or better to "overall customer satisfaction" question	9,010	4,454	5,906	8,704
Number of senior participant surveys completed with rating of good or better to "difference in their lives" question	2,097	750	1,041	2,625
Number of after school participant surveys completed with rating of good or better to "difference in their lives" question	10,071	3,000	7,400	7,500
Number of participant surveys completed with "2 nd time or more" answer selected	5,546	2,400	4,111	6,500
Number of maintenance surveys completed with a rating of good or better to "attractiveness and usability" questions	631	852	490	490

Changes to Activity & Workload Highlights from 2005-2006 Adopted Budget: No

Neighborhood Services CSA

Core Service: Life Enjoyment Services Parks, Recreation and Neighborhood Services Department

Performance and Resource Overview (Cont'd.)

Life Enjoyment Services Resource Summary	2004-2005 Actual 1	2005-2006 Adopted 2	2006-2007 Forecast 3	2006-2007 Adopted 4	% Change (2 to 4)
Core Service Budget *					
Personal Services	\$ 25,202,153	\$ 22,807,608	\$ 24,387,431	\$ 25,609,126	12.3%
Non-Personal/Equipment	8,571,166	9,334,555	9,751,449	9,964,408	6.7%
Total	\$ 33,773,319	\$ 32,142,163	\$ 34,138,880	\$ 35,573,534	10.7%
Authorized Positions	433.71	402.59	399.53	410.58	2.0%

* The Resource Summary includes all operating allocations within the Department that contribute to the performance of this Core Service. Note that additional resources from City-Wide, Special Funds and/or Capital Funds may also contribute to Core Service performance, yet are displayed elsewhere in this budget.

Budget Changes By Core Service

Adopted Core Service Changes	Positions	All Funds (\$)	General Fund (\$)
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HEALTHY NEIGHBORHOODS AND CAPABLE COMMUNITIES

1. PRNS Vacant Staffing (4.63) (220,734) (220,734)

This action eliminates 2.26 vacant Youth Outreach Worker positions (1.0 Youth Outreach Worker, and 1.26 part-time Youth Outreach Worker positions), 1.37 part-time Recreation Leader hours, and a vacant Equipment Operator position. All duties of these positions have been absorbed by existing staff. All positions approved to be eliminated have been vacant for an extended period of time. (Ongoing savings: \$220,734)

Performance Results:

No changes to current service levels are anticipated.

2. PRNS Reorganization (1.00) (33,168) (45,177)

Given the recent departure of three Deputy Director incumbents, PRNS examined its staffing levels and developed a new structure that will achieve a consolidated management approach. This action implements a reorganization plan through the addition of key positions and the elimination of positions that have been vacant for some time. These positions are spread throughout the various core services. Salary savings and non-personal/equipment funding were used to offset any additional costs from these staffing changes.

Neighborhood Services CSA

Core Service: Life Enjoyment Services
Parks, Recreation and Neighborhood Services Department

Budget Changes By Core Service (Cont'd.)

Adopted Core Service Changes	Positions	All Funds (\$)	General Fund (\$)
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HEALTHY NEIGHBORHOODS AND CAPABLE COMMUNITIES (CONT'D.)

2. PRNS Reorganization (Cont'd.)

- The newly created Community and Resource Development Division will add a Recreation Superintendent in the Life Enjoyment Services Core Service, and add a Recreation Supervisor in the Community Strengthening Services Core Service, and delete a Youth Outreach Worker from the Life Enjoyment Services Core Service that was assigned to the Striving Toward Achievement with New Direction (STAND) Program. The Recreation Superintendent will oversee youth intervention programs as well as manage the revenue generating/enterprise programs (e.g. Aquatics Program, Sports Program, Family Camp), and civic engagement and volunteer programs (e.g. Adopt-A-Park, Anti-Litter/Anti-Graffiti Program). The Recreation Supervisor will assist the Recreation Superintendent with the management of the Mayor's Gang Prevention Task Force, and will directly supervise the youth intervention programs.
- The Administration Division will add a Senior Analyst position in Strategic Support and will eliminate an Analyst position from the Community Strengthening Services Core Service who was assigned to the employee services and contract management section of the division. The Senior Analyst will provide general oversight of contracts and ensure consistency in the development, negotiation, and implementation of contracts. The position will manage approximately 300 departmental contracts (excluding CDBG, Healthy Neighborhoods Venture Fund, San José Bringing Everyone's Strengths Together and San José After School which are managed by the respective grant units).
- In Strategic Support, this action shifts funding from the General Fund (0.04 of two full-time Analyst positions) to capital funds to better align staffing costs with the capital activities performed.
- Eliminates a Therapeutic Specialist from the Life Enjoyment Core Service that was assigned to the Marketing and Special Events Unit supporting the Citywide Activity Guide. These duties have been absorbed by existing staff.

(Ongoing savings: \$35,762)

Performance Results:

Customer Satisfaction: Improved management oversight of the Youth Intervention Programs and centralized departmental approach to revenue generation and community participation. Contract development and oversight will be more consistent and timely.

Neighborhood Services CSA

Core Service: Life Enjoyment Services

Parks, Recreation and Neighborhood Services Department

Budget Changes By Core Service (Cont'd.)

Adopted Core Service Changes	Positions	All Funds (\$)	General Fund (\$)
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SAFE AND CLEAN PARKS, FACILITIES AND ATTRACTIONS

3. Police Activities League Complex Maintenance	3.00	115,906	115,906
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Approved as part of the Mayor's June 2006 Budget Message was funding to augment the maintenance at the Police Activities League (PAL) complex. As a result of adding 2.0 Groundkeeper positions, 0.63 Groundskeeper PT, part-time hours for Maintenance Assistants, and associated non-personal/equipment funding, staff will be dedicated to the complex rather than having the site maintained on a route basis as previously approved. Funding for the maintenance of the PAL complex can also be found in the City-Wide Expenses section of this document. (Ongoing costs: \$185,147)

Performance Results: N/A (Final Budget Modification)

4. Rebudget: Happy Hollow Capital Campaign		3,400	3,400
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This action rebudgets unexpended 2005-2006 funds to augment the budget allocated for part-time hours in support of the Happy Hollow Capital Campaign. (Ongoing costs: \$0)

Performance Results: N/A (Final Budget Modification)

VIBRANT CULTURAL, LEARNING AND LEISURE OPPORTUNITIES

5. Adult Sports Programs Scorekeeping and Clerical Staffing	(2.31)	(147,893)	(147,893)
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This action reduces the City-wide Adult Sports Program which serves approximately 7,100 participants per year. Non-personal/equipment funding of \$15,000 was eliminated as well as associated personal services funding (0.13 Recreation Leader PT, and 1.68 Sr. Recreation Leader PT (1.50 filled). The part-time recreation leader hours were used to provide scorekeeping services during softball games. This level of service was higher than neighboring jurisdictions. The workload of the 1.50 filled Sr. Recreation Leader positions will be redistributed to the existing staff who manage the three components of the Adult Sports Program (basketball, soccer and softball). Also, 1.0 vacant Office Specialist position was decreased to 0.5 Office Specialist PT. This decreased position will be sufficient to provide adequate general support for remaining program staff. (Ongoing savings: \$153,331)

Performance Results:

Cost: It is anticipated that with no significant loss of revenue from these positions being eliminated, the cost-recovery rate will improve from 83% to 98%. **Customer Satisfaction:** Overall, customer satisfaction with adult sports programs may decrease due to softball teams needing to provide their own scorekeepers.

Neighborhood Services CSA

Core Service: Life Enjoyment Services *Parks, Recreation and Neighborhood Services Department*

Budget Changes By Core Service (Cont'd.)

Adopted Core Service Changes	Positions	All Funds (\$)	General Fund (\$)
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VIBRANT CULTURAL, LEARNING AND LEISURE OPPORTUNITIES (CONT'D.)

6. Non-Personal/Equipment Funding Efficiencies (95,382) (95,382)

As part of the PRNS overall cost containment strategy, the Community Services Division was able to realize savings in its non-personal/equipment budget. With this action, it is anticipated that the Department will achieve this savings on an ongoing basis. (Ongoing savings: \$95,382)

Performance Results:

No changes to current service levels are anticipated.

7. In-Source Vehicle Maintenance Activities (37,850) (37,850)

This action will bring more vehicle maintenance and repair services in-house, while producing savings to the City through a reduction to the contractual services budget. Contingent upon the filling of two Mechanic position vacancies, this reduction will result in a cost savings of \$272,500, of which \$220,725 is generated in the General Fund. As a result of using in-house Fleet Maintenance staff to troubleshoot and resolve mechanical problems, efficiencies should be gained as less fleet equipment will be transported to and from outside facilities; however, cycle times may rise during peak workload periods due to the reduction in the ability for Fleet Management to use contractual services for some major and complex repairs. The cost savings in the PRNS Department, Life Enjoyment Core Service is \$37,850. (Ongoing savings: \$37,850)

Performance Results:

Quality A higher quality of work on repairs that are completed should be realized as it will be easier to monitor in-house staff repairs than with a vendor. **Cycle Time** Cycle times for routine repairs are anticipated to decrease as a result of bringing more of them in-house. Cycle times for major and complex repairs could increase, however, as the reduction in the ability to use contractual services during peak workload periods may cause some non-public safety related repairs to be deferred.

8. New Parks and Recreation Facilities Operations and Maintenance 12.99 888,814 888,814

In 2006-2007, several new parks and recreation facilities will be coming on-line requiring additional personal services, and non-personal/equipment funding in the amount of \$1,404,000 of which \$76,000 of costs will be offset by revenue. This amount was included as a Committed Addition in the 2007-2011 Five-Year Forecast. Note that the position additions and non-personal/equipment funding are displayed in the Life Enjoyment Core Service and the Neighborhood Livability Core Service. This action provides funding to the Parks, Recreation and Neighborhood Services Department and General Services Department for utilities, custodial and preventative maintenance costs, operating and other maintenance costs associated with these new parks and facilities. Savings of \$116,000 will be generated as a result of PRNS identifying capital funds to pay for the ongoing maintenance and operations of two sites. (Ongoing costs: \$1,002,321)

Neighborhood Services CSA

Core Service: Life Enjoyment Services
Parks, Recreation and Neighborhood Services Department

Budget Changes By Core Service (Cont'd.)

Adopted Core Service Changes	Positions	All Funds (\$)	General Fund (\$)
VIBRANT CULTURAL, LEARNING AND LEISURE OPPORTUNITIES (CONT'D.)			
8. New Parks and Recreation Facilities Operations and Maintenance (Cont'd.)			
Performance Results: Customer Satisfaction: The measure "% of customers rating regional parks and facilities' overall maintenance good or better based on attractiveness and usability" will remain at 70%.			
9. Community Center Facility Re-Use Plan Transition		662,682	662,682
The overall goal of the Community Center Facility Re-Use Strategy is to optimize the new and much larger facilities coming online, consolidate staff to minimize operational costs, and find alternative uses/providers for select neighborhood and satellite facilities. As previously described in the "Follow-up to Facility Re-Use Request for Qualifications (RFQ) Process" report presented to City Council on June 6, 2006, staff will conduct additional neighborhood specific outreach meetings, including a Council Study session following the community process, and revise the RFQ process for Facility Re-Use given the input obtained through the community process. The City Council allocated \$499,264 to continue operations at the facilities on the Re-Use list, and \$163,418 to continue operations at Northside Community Center for another year pending the finalization of the transition plan. (Ongoing costs: \$0)			
Performance Results: N/A (Final Budget Modification)			
10. Camden and Almaden Community Centers Operations	3.00	212,790	212,790
Included in the Mayor's June 2006 Budget Message is funding to augment the staffing at the Camden and Almaden Community Centers. This action adds 1.0 Recreation Program Specialist positions, 0.5 Recreation Leader PT, and associated non-personal/equipment funding at both community centers. As a result, more programming and services will be offered at both sites. The costs will be partially offset by anticipated revenue of \$40,000 to the General Fund and is described in the General Fund Revenue Estimates section of this document. (Ongoing costs: \$212,984)			
Performance Results: N/A (Final Budget Modification)			
11. Addressing the Gaps in Aging Services		86,089	86,089
Included in the Mayor's June 2006 Budget Message is funding to augment the Senior Nutrition Program. This project was initially recommended to be reduced by 12% from the previous year's Healthy Neighborhoods Venture Fund funding level but with the additional General Fund funding, the current service levels will be maintained. (Ongoing costs: \$86,089)			
Performance Results: N/A (Final Budget Modification)			
2006-2007 Adopted Core Service Changes Total	11.05	1,434,654	1,422,645

Neighborhood Services CSA

Core Service: Maintain the Existing Affordable Housing Supply *Housing Department*

Core Service Purpose

This core service provides rehabilitation loans and grants and construction oversight to extend the useful life of affordable housing, including single-family homes, mobile homes and multi-family buildings. In addition, this core service provides loan servicing and portfolio oversight to protect the City's investments and ensure the affordable units remain affordable as well as provide Rental Dispute services to community residents to ensure rent increases are controlled and assist clients with eviction notices.

Key Operational Services:

- ☐ **Loan Compliance and Collections**
- ☐ **Housing Rehabilitation**
- ☐ **Rental Rights and Referral Services**

Performance and Resource Overview

Maintaining the existing supply of affordable housing involves three distinct activities. The first is the physical maintenance of buildings to extend their life, including both small-scale rehabilitation of single-family homes, multi-family apartments, and mobile home units and the acquisition/rehabilitation of large apartment complexes. The second is providing assistance to renters and rental property owners through the Rental Rights and Referrals Program. The third is ensuring that housing units subject to long-term affordability restrictions remain affordable and well maintained for the term of the restriction and safeguarding City assets through management and collection of loans. Prior to 2006-2007, the Maintain the Existing Affordable Housing Supply core service appeared in the Economic and Neighborhood Development City Service Area (CSA) (now known as the Community and Economic Development CSA). In 2006-2007, this core service moves to the Neighborhood Services CSA and contributes to the outcome: *Diverse Range of Housing Opportunities*.

Housing Rehabilitation

The City offers a number of programs to San José residents and property owners seeking to maintain and/or improve the condition of their properties. These programs currently provide low-interest or interest-free loans or grants to low-income homeowners to perform critical repairs from replacing substandard systems such as bathrooms, kitchens, roofs and hot water systems to removing lead based paint and providing new exterior paint.

The housing rehabilitation program has been a critical component of the partnership between the City and the Strong Neighborhoods Initiative (SNI) communities to revitalize neighborhoods. The program will continue to provide loans and grants and construction oversight to extend the

Neighborhood Services CSA

Core Service: Maintain the Existing Affordable Housing Supply
Housing Department

Performance and Resource Overview (Cont'd.)

Housing Rehabilitation (Cont'd.)

useful life of affordable housing, including single-family homes, mobile homes and special SNI Rehabilitation Multi-family projects.

For 2006-2007, the allocation of \$6.25 million for housing rehabilitation projects was approved, with funding coming from: Federal HOME funds (\$2 million), Community Development Block Grant (CDBG) (\$2.5 million), and CalHome (\$1.75 million) funds. In addition, the Department will partner with the San José Redevelopment Agency on several SNI demonstration projects to be funded by the Agency.

Rental Rights and Referrals

Over the past three years, the Rental Program has administered the new Non-Rent Controlled Tenancy Program, which provides mediation services to tenants receiving no-cause eviction notices. At the time of inception, a \$0.50 per-unit annual fee – generating \$10,183 – was put in place to provide funds to administer the new program. In order to provide the funds necessary to fully fund the program, a CDBG grant has been approved in the amount of \$40,817 for 2006-2007.

Current rent rates and vacancy rates remain low and this has resulted in fewer rental disputes and evictions, and low demand for services in the apartment and mobile home rent control programs. Program staff will continue to monitor program activity and expects to propose a revised fee structure for 2007-2008 to ensure cost-recovery of the programs.













Loan Compliance and Collections

The Housing Department has a portfolio of approximately \$500 million in loans for multi-family affordable housing projects, rehabilitation loans to low-income homeowners and homebuyer loans to low- and moderate-income households. The loans are monitored for compliance with the terms of the loans and the payment schedules. The Loan Compliance Unit ensures that affordable housing projects are properly managed and maintained, and that they are kept affordable to low- and moderate-income residents. The Loan Collections Unit ensures that housing loan payments are paid in a timely manner, and takes the necessary enforcement action when financial, regulatory or contractual obligations are not met. The repaid loans are then made available for other housing projects. In response to continued growth in loan portfolio, an additional 1.0 Development Specialist position for the loan compliance function was approved in this budget.

Neighborhood Services CSA

Core Service: Maintain the Existing Affordable Housing Supply
Housing Department

Performance and Resource Overview (Cont'd.)



Maintain the Existing Affordable Housing Supply Performance Summary	2004-2005 Actual	2005-2006 Target	2005-2006 Estimated	2006-2007 Target
 Default rate of loan portfolio by category: (Includes both declared and non-declared defaults) ¹ % of total loan principal: <ul style="list-style-type: none"> 1. Project Loans 2.6% <4% 3.8% <4% 2. Rehabilitation Loans 3.4% <4% 5.0% <4% 3. Homebuyer Loans 0.2% <2% 1.0% <1% % of total loans: <ul style="list-style-type: none"> 4. Project Loans 3.4% <4% 5.3% <4% 5. Rehabilitation Loans 2.0% <4% 5.0% <4% 6. Homebuyer Loans 0.7% <2% 1.0% <1% 				
 % of loan payments collected out of scheduled total payments due to the City	98%	100%	95%	100%
 % of emergency repair requests completed within 15 days of qualification to completion of critical repair	76%	75%	60%	75%
 % of small rehabilitation projects completed within 6 months of approval	33%	75%	50% ²	75%
 % of large rehabilitation projects completed within 12 months from approval (substantial completion)	0% ³	75%	80%	75%
 % of paint grant projects completed within 6 months from complete application to project completion	82%	N/A ⁴	N/A	80%
 % of rehabilitation projects that are under \$55,000 per unit	98%	75%	95%	95%
 % of all non-mobile home rehabilitation project funds approved within SNI neighborhoods	66%	75%	40% ⁵	75%
 % of all rehab program funds that are loaned versus granted	21%	25%	18%	25%
 Cumulative ratio of non-City to City funds in acquisition/rehabilitation projects since 1/1/1999	16 to 1	15 to 1	20 to 1	20 to 1
 % of rehabilitation, mobile home, and paint-grant clients satisfied or very satisfied based on overall service	95%	95%	90%	90%
 % of Rental Rights and Referrals Program clients satisfied or very satisfied with overall service based on client survey	100%	90%	85%	90%

1. Monetary default rate calculated only on loans with scheduled payments.
2. Lower percentage estimated for 2005-2006 mainly due to reduced underwriting and inspection staffing and an increase in the number of contracts needed for each rehabilitation project.
3. Three large projects were completed, one of which was a replacement home that took over 12 months to complete. The other two projects were "pre-approved" and had subsequent delays in bid process.
4. Paint is included in rehabilitation projects on an as needed basis and data was not tracked separately for this measure. This data will be tracked separately from rehabilitation projects for 2006-2007.
5. Lower percentage estimated for 2005-2006 due to a shift in program priorities to address health and safety issues regardless of location.

Neighborhood Services CSA

Core Service: Maintain the Existing Affordable Housing Supply
Housing Department

Performance and Resource Overview (Cont'd.)

Maintain the Existing Affordable Housing Supply Performance Summary	2004-2005 Actual	2005-2006 Target	2005-2006 Estimated	2006-2007 Target
 % of loan management clients satisfied or very satisfied based on overall service	100%	85%	87%	90%
 % of project occupants rating units good or excellent based on value, project amenities and maintenance	N/A	NA	TBD ⁶	80%

Changes to Performance Measures from 2005-2006 Adopted Budget: No

6. Survey data not available as of date of printing. Surveys will be mailed by the end of 2005-2006. Data will be available in 2006-2007.

Activity & Workload Highlights	2004-2005 Actual	2005-2006 Forecast	2005-2006 Estimated	2006-2007 Forecast
Number of rehabilitation projects completed				
1. Rehabilitation Projects	223	200	185	175
2. Paint Projects	159	100	50 ¹	75
3. Mobile home projects	130	150	110	100
Total:	512	450	295	350
Number of rehabilitation applications approved or cancelled				
1. Rehab, conventional homes				
-SNI neighborhoods	99	150	110	85
-Non-SNI neighborhoods	79	100	75	75
2. Mobile home projects	140	150	150	100
3. Paint projects	54	100	0	75
Total:	372	500	335	335
Number of emergency pre-application inspections	386	50	340	300
Size of Housing Department loan portfolio by category:				
Total loan principal (\$):				
1. Project Loans	433,049,206	504,562,845	450,841,500	498,019,400
2. Rehabilitation Loans	16,839,591	17,925,325	16,358,300	16,221,450
3. Homebuyer Loans	21,022,902	24,178,517	34,376,800	51,941,800
Total	470,911,699	546,666,687	501,576,600	566,182,650
Total number of loans:				
4. Project Loans	146	152	147	154
5. Rehabilitation Loans	458	513	470	473
6. Homebuyer Loans	529	626	630	804
Total	1,133	1,291	1,247	1,431
Number of Loan Management transactions (refinances, subordinations, assumptions)	513	480	500	500
Number of units inspected on major projects in loan portfolio	950	1,725	1,300	1,200
Number of unduplicated Rental Rights & Referrals program clients	2,369	2,400	2,400	2,400
Number of clients assisted with eviction notices	318	300	300	300

Changes to Activity & Workload Highlights from 2005-2006 Adopted Budget: No

1. Paint projects are included in Rehabilitation project count, and thus do not add to the total annual count

Neighborhood Services CSA

Core Service: Maintain the Existing Affordable Housing Supply
Housing Department

Performance and Resource Overview (Cont'd.)

Maintain the Existing Affordable Housing Supply* Resource Summary	2004-2005 Actual 1	2005-2006 Adopted 2	2006-2007 Forecast 3	2006-2007 Adopted 4	% Change (2 to 4)
Core Service Budget **					
Personal Services	\$ 3,086,947	\$ 3,127,519	\$ 3,294,186	\$ 3,377,084	8.0%
Non-Personal/Equipment	142,975	540,911	494,510	496,510	(8.2%)
Total	\$ 3,229,922	\$ 3,668,430	\$ 3,788,696	\$ 3,873,594	5.6%
Authorized Positions	31.80	31.80	30.90	31.90	0.3%

* Prior to 2006-2007, the Maintain the Existing Affordable Housing Supply Core Service appeared in the Economic and Neighborhood Development City Service Area (now known as the Community and Economic Development City Service Area).

** The Resource Summary includes all operating allocations within the Department that contribute to the performance of this Core Service. Note that additional resources from City-Wide, Special Funds and/or Capital Funds may also contribute to Core Service performance, yet are displayed elsewhere in this budget.

Budget Changes By Core Service

Adopted Core Service Changes	Positions	All Funds (\$)	General Fund (\$)
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DIVERSE RANGE OF HOUSING OPPORTUNITIES

1. Loan Compliance Unit Staffing	1.00	84,898	0
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This action provides funding for the addition of a Development Specialist to assist in meeting compliance review needs in servicing the Housing Department loan portfolio. (Ongoing costs: \$88,495)

Performance Results:

Quality The increased staffing will result in improved monitoring of the City's \$500 million loan portfolio to ensure compliance with requirements of the various funding sources.

2006-2007 Adopted Core Service Changes Total	1.00	84,898	0
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Neighborhood Services CSA

Core Service: Neighborhood Livability Services
Parks, Recreation and Neighborhood Services Department

Core Service Purpose

To support community residents, schools and neighborhood organizations to make their neighborhoods more livable, sustain neighborhood leadership, and provide and maintain open space and neighborhood parks.

Key Operational Services:

- | | |
|--------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------|
| <input type="checkbox"/> Anti-Graffiti & Anti-Litter Program | <input type="checkbox"/> Graffiti Abatement Within City Parks |
| <input type="checkbox"/> Neighborhood Development Center | |
| <input type="checkbox"/> Animal Care and Services | <input type="checkbox"/> Park Irrigation Systems, Pools and Decorative Fountains Maintenance |
| <input type="checkbox"/> Grounds and Landscape Maintenance | <input type="checkbox"/> Neighborhood Parks Maintenance |
| <input type="checkbox"/> Park Hardware and Sports Apparatus Maintenance | |

Performance and Resource Overview

Neighborhood Livability Services are directly delivered by PRNS and augmented through partnerships with schools, community groups, residents and other departments with the goal of maintaining or increasing positive resident experiences and perceptions regarding the safety and livability of their neighborhoods and improving neighborhood conditions. This core service contributes to two outcomes within the Neighborhood Services CSA: *Safe and Clean Parks, Facilities and Attractions* and *Healthy Neighborhoods and Capable Communities* by providing targeted services that address ongoing maintenance of City assets in neighborhoods and conditions adversely affecting neighborhood quality of life. Conditions that can adversely affect neighborhood quality of life include crime, graffiti, litter, drug and gang activity, blight, animal care and supervision, inadequate public facilities and a lack of a sense of community.

In 2005-2006, this core service was reduced by over \$1.25 million, but continued to deliver Neighborhood Livability Services in a cost-effective and efficient manner with remaining available resources. During 2005-2006, outstanding top 10 projects within adopted Neighborhood Improvement Plans of the Strong Neighborhoods Initiative (SNI) were assigned project managers. Management oversight for SNI was also transferred to the Office of the City Manager.

For 2006-2007, in determining which programs to put forward for reduction to meet the reduction target, this core service looked at: 1) those programs essential to its purpose; 2) creative ways for programming to be maintained and/or pared down; and, 3) which programs were not essential. This budget protects programs in this core service such as access to safe and clean parks for all of our residents, preservation of open space and parkland for the public, and the maintenance of associated infrastructure (e.g. irrigation systems, play equipment, turf). While some reductions were approved, overall, there was a net \$169,000 in resources being added.

Neighborhood Services CSA

Core Service: Neighborhood Livability Services *Parks, Recreation and Neighborhood Services Department*

Performance and Resource Overview (Cont'd.)

Anti-Graffiti and Anti-Litter Programs

Establishing San José as a "Graffiti-Free and Litter-Free City" continues to be a priority for this core service. Even in years of economic stress when graffiti incidence is on the rise, the Anti-Graffiti program is anticipated to reach and exceed its 2005-2006 targets and remains a highly successful program. Removal of gang graffiti within 24 hours was estimated to be at 100% in 2005-2006. This performance, along with other accomplishments, has taken place because of the dedication of the Anti-Graffiti staff and the volunteers who remove tags in a timely manner. It is also due to the Anti-Graffiti program not having taken any program reductions.

The Anti-Litter Program has been successful in cleaning up the litter hot spots in each Council District working with the dedicated Pick Up San José Volunteers. The number of litter hot spots has remained the same at 150 (15 per Council District). The hot spots represent one element of a comprehensive Anti-Litter program modeled on the highly-effective Anti-Graffiti program.

In 2006-2007, no program or service reduction will affect the Anti-Graffiti and Anti-Litter Programs since no reductions were approved for the programs.

The performance measure of "% of Litter Hot Spots rated as a 1 (no litter) or 2 (slightly littered) based on the Keep America Beautiful index" has a 2005-2006 target of 75%. This measure was estimated to be at 61% in 2005-2006. Departmental staffing levels for the classification approved to supervise the juveniles who participate in the Weekend Juvenile Offender Program allow only one crew to be sent out rather than two crews. As a result, less litter was picked up by the juveniles and the hot spots were getting cleaned less frequently. Staff is working to develop alternative solutions to maintain an acceptable level of service.

Over the past few years, the Anti-Graffiti program has been successful in reducing the overall level of graffiti. This is illustrated by the success of removing 98% of all graffiti hotline requests within 48 hours as well as the substantial reduction in the actual number of tags that were called in to the hotline. As the performance measure indicates, the number of tags removed dropped from a 2005-2006 forecast of 4,500 to approximately 2,559 in 2005-2006. It should be noted, however, that the performance standard for removing the number of tags will continue to be 95% as an indicator of continued commitment to responsiveness and the timely removal of graffiti.

Neighborhood Development Center (NDC)

At the City Council's direction, the Neighborhood Development Center (NDC) has been transferred to the Strong Neighborhoods Team under the direction of the City Manager's Office. The NDC will be integral to the successful evolution of Strong Neighborhoods Program into Building Strong Neighborhoods Program, as NDC staff already operate at a city-wide level and have helped establish organizations across San José. As a formal part of the Strong Neighborhoods Team, the NDC will assist in the areas of outreach and neighborhood organizing, organizational

Neighborhood Services CSA

Core Service: Neighborhood Livability Services *Parks, Recreation and Neighborhood Services Department*

Performance and Resource Overview (Cont'd.)

Neighborhood Development Center (NDC) (Cont'd.)

development, leadership recruitment and development, translation and interpretation, and coordination with City departments and services. Existing NDC functions outside of the aforementioned areas of responsibility will be evaluated as part of the alignment process and will be implemented to the extent the functions support the overall goal of Building Strong Neighborhoods Program.

By formally aligning the NDC and Building Strong Neighborhoods pilot efforts with the Strong Neighborhoods Team, staff intends to build and sustain capable, cohesive, and action-oriented organizations that can effectively partner with City departments to implement neighborhood priorities and improve service delivery.

Four positions at the Neighborhood Development Center (1.0 Analyst, 2.0 Community Activity Workers and 1.0 Community Coordinator) were previously funded in 2005-2006 through a CDBG grant. Funding was no longer available for this project; therefore, the four positions have been eliminated. Although this will reduce the level of staffing for the NDC, every effort will be made not to impact the community leadership activities provided at the center. The remaining NDC staff will consist of 1.0 Community Coordinator, and 1.25 Community Activity Workers and were transferred to the City Manager's Office. In addition, the City Council approved the addition of a Community Services Supervisor, a Planner, two Community Coordinators and one Analyst position to support the NDC and Building Strong Neighborhoods pilot effort. In addition, 0.50 of a Strong Neighborhoods Manager position that resides in the San José Redevelopment Agency will be assigned to this team and funded by this pilot. Additional information on these new positions can be found in the City-Wide Expenses section of this document.

Neighborhood Parks and Civic Grounds Maintenance

In 2005-2006, the Neighborhood Parks Maintenance program was reduced by \$1.2 million in the General Fund primarily through the elimination of parks maintenance staff plus a reduction in the turf irrigation budget. As a result, maintenance of neighborhood parks has occurred two fewer days per week than in the previous year. This translates into maintenance staff visiting parks anywhere between two and five days a week depending on the level of park use (high, medium or low). Tasks performed include safety inspections of play equipment, litter removal, emptying trash receptacles, clearing pathways and hard surfaces of debris, and opening, servicing and closing park restrooms. On the days of the week when a park does not receive maintenance, the park restrooms are still opened, serviced, stocked and closed by part-time staff funded in 2005-2006 for this purpose.

Neighborhood Parks Maintenance also provides landscape maintenance services to approximately 56 civic grounds throughout the City. These grounds are typically adjacent to public libraries and community centers. These properties received maintenance services only once or twice a week in

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Core Service: Neighborhood Livability Services *Parks, Recreation and Neighborhood Services Department*

Performance and Resource Overview (Cont'd.)

Neighborhood Parks and Civic Grounds Maintenance (Cont'd.)

2005-2006, since they draw from the same pool of resources that provided maintenance of the City's neighborhood parks. Prior to 2005-2006, civic grounds received five days of service per week (Monday through Friday).

In 2006-2007, the level of maintenance for neighborhood parks and civic grounds is not anticipated to change from 2005-2006 levels. Due to the continued capital support for the infrastructure and safety improvements to the parks, this core service will exceed the 2005-2006 target of 65% for "% of customers who rate neighborhood parks as safe, functional and aesthetically pleasing" (estimated to be 72%). The 2006-2007 target remains at 72%. The challenge for 2006-2007 will be to maintain the parks given the cumulative impacts of the last several years of service reductions.

In 2006-2007, \$437,221 and 9.77 positions will be added to support the costs of maintaining new inventory coming on-line. The new facilities to be added to the inventory in 2006-2007 include Fowler Creek Park Phase I, two turnkey parks, two community gardens, three dog parks, 15 trails/trail segments plus seven other capital improvement projects.

The budget for this core service eliminates 1.50 grounds maintenance staff for the San José McEnery Convention Center and other cultural facilities. Team San José will assume the responsibility directly at their request. Also, History Park was approved to take a reduction in maintenance to its facility in Kelley Park. The facility's maintenance has been performed by one dedicated full-time maintenance staff. The full-time position was eliminated in 2006-2007, and part-time hours will be used to maintain the facility four days per week at four hours per day plus full service on summer weekends. This is a reduction from a level of maintenance service having been provided five days a week year-round at eight hours per day plus weekends during the summer but is comparable to other parks facilities.

The decrease in the measure of "% of customer concerns completed within time standards established by PRNS" from the 2005-2006 target of 65% to an estimated 35% was a result of changes in support staff. The 2006-2007 target is estimated at 50% based on the impact realized by the maintenance reductions, offset by the improved intake and processing of the customer concerns.

Animal Care and Services (ACS)

The Animal Care Center has been in operation a full year now. As a result, the City now has all elements of animal care and services under its direct control and provides services under contract to four surrounding jurisdictions including Milpitas, Cupertino, Saratoga and Los Gatos. This service area contains 1.1 million people. The contracts with Cupertino, Saratoga and Los Gatos provided funds to build a spay/neuter clinic that opened in March 2006, and additional animal holding areas for cats that became operational in November 2005. In 2006-2007, no service level changes are

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Performance and Resource Overview (Cont'd.)

Animal Care and Services (ACS) (Cont'd.)

anticipated or approved in Animal Care and Services. For 2006-2007, among other fee increases for ACS, there is an approval to increase the adoption fee for puppies and kittens by \$20. The new fees will bring in approximately \$20,000 in additional General Fund revenue. The fees were set to be less than the current market rate in order to encourage adoptions.

The “% increase in the number of animals licensed annually” in 2005-2006 was estimated to be 2% versus a target of 5%. In the second quarter of 2004-2005, the animal license amnesty added 8,300 new licenses. Because the prior year total was so high as a result of an amnesty program, it was not possible to meet the 5% growth expectation.